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# ***JPRS Report***

## **East Asia**

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***Southeast Asia***  
**Vietnam: TAP CHI CONG SAN**  
No 1, January 1989

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**The Main Targets of the 1989 Economic and Social Plan**  
42100000 Hanoi in Vietnamese TAP CHI CONG SAN in Vietnamese No. 1, Jan 89 pp 1-6

[Text] In 1987 and 1988, even though many difficulties were encountered, production continued to increase. On the average, the value of agricultural production increased 3.2 percent a year, the value of industrial production increased almost 9 percent, the gross social product increased 5.1 percent, and the national income increased 4.2 percent. A number of urgent requirements concerning the construction of the material and technical base were satisfied, and progress was made in carrying on foreign economic activities. The export value continued to increase at a rate of more than 10 percent. Initial steps were taken to reorganize the apparatus, gradually eliminate nonessential middle elements, and gradually reduce the number of people and elements not directly engaged in producing products, providing services, and carrying on cultural activities for society. In almost every sector and locality, many units carried on the new way of doing things actively and creatively. In particular, in 1988 many new mechanisms and policies were implemented, and steps were taken to enable the primary-level units gradually to become involved in profit-and-loss accounting. Some of the long-standing fetters of the old mechanism were removed, which marked the beginning of the process of democratizing economic and social activities and liberating the production strength. It can be said that the spirit and contents of the resolution of the Sixth Party Congress has and is becoming a part of life. The new management mechanism is gradually taking form.

The things mentioned above are just the beginning, and a number of new things are pilot projects. Along with the good things and good examples, there have also been problems and a lack of synchronization. The economic and social activities are encountering many serious difficulties. What is most clear is that many things are greatly out of balance. Inflation is a serious problem, and the lives of the cadres, administrative personnel, armed forces, retired cadres, and policy targets are becoming more and more difficult. The new management mechanism cannot keep pace with the demands of life and the requirements of the situation.

The problem posed for the remaining 2 years is to hit the main economic and social targets set by the Sixth Party Congress and the resolution of the Fourth Plenum of the CPV Central Committee. The pressing requirement of 1989 is to bring about significant change in a number of economic and social spheres based on the guideline of gradually stabilizing the economic situation and the standard of living. In doing this, we will undoubtedly encounter many difficulties. To step up production, not only must the material conditions be balanced, but production results must be increased. These two tasks are essential. To shift to profit-and-loss accounting, it is essential that we adjust prices. But this cannot be done

precipitously. To increase production capabilities and overcome a decline in the material and technical base, there must be much investment capital. But our capabilities are very limited. We want to raise real wages, but there is a large budget deficit. To switch to the new system, we must abandon, without regret, bureaucratic centralism and state subsidies. But the old mechanism is deeply imbedded in the thinking and actions of many people. The only way is to weigh things carefully in order to choose the right targets. We must find a way to exploit and thoroughly manifest every capability both here and abroad, in the economy and in society, and in various material conditions and in the policy mechanism.

Starting from the above situation, in 1989 an effort must be made to hit the following specific economic and social targets:

1. Significant changes must be made in the management mechanism throughout the national economy in order to free the production forces and mobilize and exploit the capabilities of all the economic elements and all the people. An effort must be made to expand relations with the outside in order to carry out the important tasks concerning food and consumer and export goods.

The direction of struggle in 1989 is to increase the value of industrial production 10 percent as compared with 1988, with the consumer goods industry increasing 12 percent. The value of agricultural production must increase 5 percent, the export value must increase 7.6 percent, and national revenues must increase 8.2 percent.

To hit the above targets, full use must be made of the existing production installations and capabilities, the use factor of the machinery and equipment capacity must be increased, energy and materials must be conserved, the new technical advances must be boldly applied, and the essential needs for capital, materials, and raw materials must be satisfied. What is even more important is that a number of the procedures and policies must be changed in line with developing a planned and multi-faceted commodity economy, opposing bureaucratic centralism and state subsidies, and shifting the economic activities to business accounting.

Expanding production and services must be based on the capabilities of the five economic elements. Above all, the constraints in the state sector must be removed to enable this sector to play a leading role in the economy. At the same time, the scope of operations of all the other economic elements and of the technical economic sectors must continue to be expanded. The economic elements are all equal before the law and policies of the state. Wholesome competition must be encouraged in commercial production.

The commercial price control mechanism must continue to be developed and perfected in order to give the production installations greater freedom in setting prices

and give them greater responsibility concerning profits and losses. Administrative interference by the various-echelon state authorities must be ended. The state must handle prices for only a number of the most important products of the national economy. The guideline for 1989 and 1990 is to strive to implement a unified price mechanism in the marketing of materials and equipment by gradually limiting stable prices of a state subsidies nature, gradually expanding commercial prices, and reducing the difference between these two types of prices. The production and commercial installations will gradually calculate the prices of equipment and materials correctly, and, with respect to selling prices, the commercial pricing mechanism will be applied broadly in accord with the purchasing power of the social markets. The food, materials, and commodities to be supplied to the armed forces will be sold at a commercial price just as when selling to other targets. This will be handled by the state budget.

The commitments made in the agreements signed with the Soviet Union and other socialist countries and with Laos and Cambodia must be fulfilled. At the same time, steps must be taken to increase volume and expand direct cooperative forms at all levels, that is, the state, sector, local, and primary levels. In order to stimulate the development of export goods, the state will balance materials and commodities in relation to the market value of export goods. It will also implement a foreign trade compensation mechanism in order to protect the interests of exporters. But the state will not make up export losses. Along with promulgating a number of specific regulations under the Investment Law, the state will soon promulgate a number of other legal documents on exchange rates, regulations on labor use and arable land taxes, customs regulations and regulations on the operations of joint enterprises. At the same time, the foreign economic management organizations and other services will be solidified.

The planning mechanism must be changed based on making notable reductions in assigning legal norms and expanding the contract method in production and construction. This is a new and effective way of doing things that will ensure product and project quality. Calling for bids will also reorganize production in a conscious way, which is something that has been lacking for a long time.

Along with the things mentioned above, based on the spirit of the resolution of the 4th session of the Eighth National Assembly, in 1989 other policies and procedures will be promulgated. These include procedures on the circulation of commodity materials, on the foreign economy and non-commercial commodities, on labor cooperation with other countries, on revising and supplementing the wage policy and providing wages to cadres and employees in the administrative sector, on developing science and technology, on economic and cultural development in the mountain and ethnic minority areas, and on organizations and cadres.

2. The standard of living must gradually be stabilized. Above all, the minimum needs concerning grain must be satisfied for all of society. The state reserves must be increased, and sudden crises concerning grain must not be allowed to arise.

The material conditions, that is, investment capital, fertilizer, gasoline, oil, electricity, and other types of materials must be concentrated on agriculture in order to harvest at least 20 million tons of grain in paddy equivalent in 1989 and increase the per capita production of grain from 297.8 kg in 1988 to 307 kg in 1989. Emphasis must be given to planting additional winter-spring and summer-autumn crops in the Mekong Delta, expanding the winter crop in the Red River Delta and former Zone 4, and expanding the summer-autumn and early tenth-month rice crops. While focusing on investing in intensive rice cultivation in the key regions of the country and in each highlands area in each locality, we must continue to exploit Dong Thap Muoi, the Long Xuyen quadrangle, and the Nam Cat San-Bac Phung Hiep area, which are areas where commodity output can be increased quickly. Attention must also be given to growing subsidiary food crops and stepping up the production of various types of ordinary tools and equipment used in processing subsidiary food crops.

Based on expanding production, a good job must be done in mobilizing grain, collecting taxes and debts in accord with the policies, and reducing losses, which are still quite high in the grain storage and transportation sectors. One of the most important measures for making economical use of the grain is to shift to commercial grain activities, apply commercial prices widespread, reach agreements on marketing, and use the profits generated by one sector to compensate for the losses in another sector. But in general, the state will not make up the losses. Balancing the grain will be done as follows: The paddy tax will be reserved for the armed forces and for supplementing the state reserves. The paddy purchased in accord with the economic contracts will be sold to the administrative and professional sectors and policy targets. The paddy purchased in accord with the commercial formulas will be sold to the production and commercial sectors and other households that are not engaged in agricultural production. The state has entrusted the Grain General Corporation, Ministry of Agriculture, and Ministry of Food Industry with the task of balancing and adjusting things among the regions in order to ensure that the grain needs of the targets and key sectors throughout the nation are fulfilled. The Grain General Corporation has been given the authority to act on its own initiative in carrying on commercial activities, such as importing and exporting grain, in order to improve the grain allocation—"export from the south, import into the north." Together with the localities, grain must be provided through the strength of each place.

3. Based on stepping up production and organizing circulation in line with expanding the commodity economy, an effort must be made to halt inflation, reduce the budget and currency deficits, and reduce the population growth rate.

This is a fierce and complex struggle that will take time. The decisive things are to accelerate the expansion of social production and manifest the positive and active role of the markets with respect to the production and circulation of commodities and with respect to the standard of living. At the same time, order must be established in the social markets, speculation and smuggling must be opposed resolutely, and efforts must be concentrated on handling the "deviations" that have led to inflation, primarily the overly large state budget deficit.

The confusion that exists between the state budget and enterprise finances must be ended. The state budget is a unified system based on moving from top to bottom, with some elements managed by the sectors. Decentralization of budget control must be carried out in line with decentralization of the economic and social tasks and the rate of economic development of each locality in order to exploit the capabilities and strengths of each region to the maximum and gradually bring about even development throughout the country. In 1989, the leading task is to strive to mobilize 23-25 percent of the National Income for the state budget. At the same time, many budget revenue and expenditure mechanisms must be replaced, particularly the tax policy. Various taxes that are no longer appropriate or that duplicate other taxes must be abolished. An efficient tax system must be established in order to provide sources of revenues for the budget, ensure social fairness, and manifest an active role in guiding, stimulating, and regulating production and business. Having proper revenues and expenditures will lead to economic and social development, reduce the deficit, and lower inflation.

We must resolutely put the banks on a commercial footing, resolutely oppose state subsidies, and through bank credits, provide adequate capital for production and commercial operations and wages. Measures must be implemented to mobilize more and more surplus capital in society. This must be regarded as the main source of capital for credit activities. Interest rates on deposits must be readjusted in accord with the purchasing power of the dong based on commercial prices in order to prevent depositors and banks from suffering losses and to encourage the production and commercial installations to increase the capital turnaround time. Settling accounts on a non-cash basis must be expanded not only in the state sector but also in the collective and private sectors. Cash and credit control must be strengthened, audits must be made regularly, and negative aspects must be controlled. The system of professional banks and credit cooperatives must continue to be strengthened. As a business organization, the banks have

rights and responsibilities just like other economic organizations. There must be similar rewards and punishments, and granting special privileges must be opposed.

The investment mechanism must be adjusted based on reserving central budget funds for key state projects and for infrastructure, national defense, and security projects. Besides this, with such a restricted budget, money can be invested in only a number of economic and social targets in the localities, particularly in the mountain and ethnic minority areas and areas that have suffered natural disasters. As for other projects such as cooperative projects with other countries, the projects must repay the loans themselves. In investing in raw materials zones to support the processing activities of the state-operated enterprises, the enterprises must use the existing capital and borrowed capital and sign joint venture contracts. In investing in the construction of housing and public projects, the state will provide some of the money from the budget. The rest must be mobilized from public welfare funds and other existing sources of capital.

The materials supply mechanism must be adjusted based on entrusting things to the commercial organizations so that these organizations can sign sales contracts with the production organizations directly based on the principle of a "fair purchase and fair sale" using a variety of forms. However, given the fact that the supply of materials is still tense, particularly the supply of strategic materials such as gasoline and oil, steel, and electricity, these goods cannot be marketed freely but must be sold based on the basic planned targets and economic and technical norms. Commercial organizations given state norms must make use of these, purchase an adequate amount of commodities, and take responsibility for profits and losses. The flow of goods between the cities and rural areas and between the different regions in the country must be expanded. There must be a direct relationship between the producers and the consumers. The commodities must flow directly and not pass through a middleman, and they must not be restricted by administrative boundaries.

4. The pressing social needs must be satisfied. The population growth rate must be kept at 2 percent by carrying out the recently promulgated policies on population planning. The technical measures must be strengthened, and hundreds of planned birth centers must be built. The organizations must be solidified, and the activities of the National Population Commission must be promoted.

Creating jobs for the laborers is one of the leading tasks aimed at stabilizing the social situation. The national income must be increased based on expanding the production, commercial, and service activities of the economic sectors outside the state-operated sector and through the job-creation activities organized by the youth and women's organizations and the trade unions. Assault youth units must be established to carry on

economic accounting and build projects, roads and bridges, and new economic zones. Steps must be taken to attract foreign investment capital, expand cooperative labor with other countries, and at the same time expand the family economy and on-the-spot export services.

The state is very concerned about investing in business activities. It has reserved a suitable percentage of the budget for these activities. In this, priority has been given to population projects. The situation in which this is downgraded by a number of public health, educational, cultural, and information installations must be limited. On the other hand, given the fact that the economic situation is still very difficult, the important thing is to strive to reach the highest level possible in order to solve the social problems based on mobilizing the forces of the state and people and of the central and local echelons. At the same time, based on the spirit of gradually applying economic accounting, the occupational activities will be divided into three types: the type in which the state provides everything, the type in which the state provides only part, and the type in which the localities provide everything themselves and make contributions to the state.

Great emphasis must be placed on improving the quality of the activities of the occupational sectors. The procedures and policies must be revised and supplemented in order to manifest the creative potential and better the material and spiritual lives of the doctors, teachers, instructional cadres, writers, and those engaged in cultural, artistic, and athletic activities.

In the health sphere, we must continue to implement the five national programs on solidifying primary-level public health, giving vaccinations to prevent six childhood diseases, carrying on family planning, controlling malaria, and opposing the downgrading of the hospitals. In education, steps must be taken to ensure that the majority of school-age children attend school. There must be universal Level-I education, and Level-II education must be expanded in accord with the socioeconomic capabilities and requirements. Additional non-formal sectors must be opened to satisfy the educational needs and aspirations of the youths and children. The network of middle schools, colleges, and higher schools must continue to be reorganized. Overlapping schools and educational sectors must be eliminated, and a number of needed sectors must be opened. As for news, broadcasting, publishing, and press activities, emphasis must be placed on reporting the situation in the country fully and correctly. Negative phenomena must be actively opposed, the movement to renovate the mechanism must be promoted, and the process of revealing things publicly and making things more democratic must be promoted.

Given today's social problems, one of the urgent requirements is to bring about social justice, maintain social safety, restore order and discipline, and oppose negative aspects. In order to ensure social justice, we must adhere

to the principle of distribution according to labor and oppose average distribution. Wages must be tied to labor productivity. Wages must not be paid arbitrarily, which disrupts the wage system and creates irrational wage differences. Those who violate the law must be prosecuted and punished, and illegal incomes must be regulated effectively. There must be openness and democracy in all economic and social activities. Public criticism must be carried on regularly in the press. The strength of the agencies responsible must be coordinated with mass movements in order to discover, oppose, and put a stop to negative aspects.

The specific targets mentioned above are all aimed at hitting the main target of stabilizing the economic and social situation in accord with the situation and conditions in 1989. The management mechanism must be renovated in order to create a basis for freeing the production forces and expanding production. Satisfying the grain needs is the important basis for stabilizing the situation and reducing the difficulties in life. Stable grain prices will make it possible to maintain the price of other goods. Reducing the budget and currency deficits will contribute positively to controlling inflation and limiting the rate of inflation. This is also an important condition for improving the quality of social activities. Improving the standard of living and solving the social problems will stimulate production and support economic development.

To hit the specific targets discussed above, we have many capabilities. But the decisive thing is that there must be unanimity in thinking and action from the central echelon to the sectors, localities, and bases. We can certainly carry out the 1989 state plan successfully and prepare the conditions for following years.

#### **Enabling Science To Become a Real Motive Force in Economic and Social Development**

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[Article by Vo Nguyen Giap, the vice chairman of the Council of Ministers]

[Text] The Sixth Party Congress put forth a line of making changes and designated the problem of freeing and expanding the production forces as one of the leading tasks. This must be done hand in hand with perfecting the production relationships and expanding the planned and multi-faceted commodity economy, in which the state sector serves as guide. The congress also mentioned the pressing need to turn science into a motive force to accelerate the process of socioeconomic development in the country.

For a long time now, the party resolutions have regarded the scientific and technical revolution as the key. The Politburo issued Resolution 37 on scientific and technical policy. Scientific and technical activities have made important advances in supporting production and life

and contributed effectively to hitting the socioeconomic targets. However, to date, science is still far from becoming a motive force. Our scientific potential has not been exploited. The greatest waste is the waste of brain power.

Our people are now facing a new challenge: How to enable our country, which has always been in the vanguard of the national liberation movement but which is now one of the poorest and most backward countries economically, to reach a middle level within a specific period of time and then become one of the advanced countries among the socialist countries and other developed countries both in this region and in the world? This is above all a challenge concerning intelligence, theoretical thinking, technology, and socioeconomic organization and management.

The problems posed during this intense scientific and technical revolution are problems not only in the developed countries, including the socialist and capitalist countries, but also in the underdeveloped third-world countries. Under the influence of this revolution, which is also referred to as the modern industrial revolution, the countries in the Asia-Pacific region are becoming the new center of development of the world economy.

More than ever before, it is essential that we understand the resolution of the congress on changing thinking, making innovations in methods, and renovating the management mechanism. The strategy of man is the foremost strategy. We must educate and train new people who have socialist characteristics, who are developed in all respects, who have revolutionary ideals and scientific knowledge, and who can enable science to become the motive force in developing the three main economic programs and in stabilizing and developing the economy and society.

This is the right way to manifest the creative strength of the Vietnamese people, of the ranks of scientific and technical cadres, and of our laborers. This will create an integrated strength and lead us to victory in this new test.

As for changing thinking, I would like to stress the following points:

First, the Vietnamese people are Vietnam's greatest asset. When talking about liberating the production forces, it must be affirmed that the laborers are the main production force. Among the factors that are creating integrated strength to push the country forward, people are the most important factor. People are the decisive factor. The target of renovation is to free the spiritual potential and intelligence of the Vietnamese people and create favorable conditions to exploit the creative potential of the labor forces, among which are the scientific and technical forces.

The all-round quality of people is the factor that will determine the fate of the country and the future of the people. Starting from this, we must give priority to the

strategy of man, to training the younger generation and training talented people. We must use every form and means available to heighten revolutionary zeal and foster patriotism, love for socialism, and a spirit of internationalism. We must raise intellectual standards and popularize cultural, scientific, and technical knowledge among the youths and children and the masses as a whole. Everything possible must be done to increase the intelligence of the people and train talented people for the country.

Second, there must be new thinking regarding the motive role of science and education with respect to economic and social progress. Starting from the strategy of man, science and education must be regarded as the leading factors of the socioeconomic strategy.

The experiences of many countries show that the level of socioeconomic development of a people depends to a large degree on the scientific and technical standards and on the quality of education. The economic gap and gap in potential between countries is a reflection of the differences in their level of economic and educational development. Thus, one very important problem is to regard science and education as organic elements that are integral to daily life.

Science as discussed here includes the natural, technical, and social sciences. In this, the social sciences hold a leading position. Great attention must be given to economics, management, and the science of educating and training people. Unity among the social, natural, and technical sciences is a problem of a legal nature.

In order to overcome backwardness in theoretical thinking, particularly economic and managerial thinking, greater demands must be placed on the social sciences. The social sciences must coordinate things with the natural and technical sciences in creatively applying Marxist-Leninist principles to the specific realities of our country's economy and society. The line of the party must be concretized, and the theoretical and economic and political basis of scientific socialism must be established in our country. A foundation must be established for changing economic thinking and contributing to forming a socioeconomic structure and new management mechanism.

Requirements must be stipulated and conditions must be created to enable science to participate from the very beginning in the process of preparing the lines, policies, programs, social and economic development plans, and investment plans for building and organizing production.

Science has a large role to play. Basically, it must contribute to developing the socioeconomic strategy and propose plans and models so that choices are available during the initial stage as well as during the period of transition to socialism.

Third. The national technical and industrial policies are of strategic importance. They are aimed at increasing the technical and industrial mastery of the country. We must continue to use, improve, and gradually modernize our traditional techniques. At the same time, we must resolutely apply modern techniques in the various spheres and jobs as conditions permit.

Scientific and technical knowledge belongs to all people. Thus, in promoting essential research and development activities here, much attention must be given to learning about the scientific accomplishments achieved elsewhere and importing technology from abroad. A basic requirement is that these scientific accomplishments and technical advances must be chosen and applied in accord with the specific conditions and rate of expansion of social production in our country.

We must give priority to applied and developmental research and apply the scientific achievements and technical advances to the spheres of production and life. On the other hand, it must be realized that basic science is the foundation of science as a whole. This is the root of scientific and technical advances. The achievements of basic science today are the technological innovations of tomorrow. Thus, we cannot slight basic science. Given the conditions in our country, in which finances are limited and the research base is at a low level, we must apply the achievements in basic science of other countries. At the same time, we must do basic research on specific targets, that is, the Vietnamese people and society and the natural resources and tropical conditions of our country. Attention must be given to scientific tendencies of importance to the long-term development of the country. A theoretical foundation must be provided for the new technology and industry and for progressive organizational and managerial methods.

Fourth, along with the powerful advances of the modern scientific and technical revolution, basic changes in the social production forces must be made based on the leading role of science. Many of the important production sectors are making decisions about the development of the world economy today and in the future. The computer and information industries, the biology industry, and the manufacturing of new materials are the direct products of research and scientific discoveries. Thus, science has now become a direct production force, direct production sphere, and a national production sector. If science is to manifest an effect, we must invest in science. That is, we must invest men, technical materials, and money just as we do in other national economic sectors. Investments in science and education are strategic investments aimed at creating important strategic reserves for the country.

The Sixth Party Congress affirmed that our country's socialist economy is a planned commodity production economy. In this economy, the scientific organizations, together with the enterprises, are the commodity producers. The scientific and technical products produced by

the scientific and technical laborers in the scientific organizations (whether in the form of mental or material products) are basically commodity products. They are a special type of commodity, a high-level type of commodity. These commodities must participate in the process of economic circulation, distribution, exchange, and consumption. Economic activities and economic management must enable these special commodities to satisfy social needs and reach the consumers quickly. To have scientific and technical products of high quality and value that can compete on the markets, market research must be done, and the needs of production and life must be studied in order to pose and answer scientific and technical questions in an effective manner. At the same time, there must be a system to compensate the scientific laborers based on the results that they have achieved.

Fifth, internationalizing scientific understanding has now become a factor for strengthening and promoting a relationship of mutual dependence in the modern world. The economy of each country is now becoming a part of the world economy. The division of labor, specialization, and international production cooperation are some of the most important tendencies of modern economic development.

Because of this, in our country's present circumstances, it is essential that we see the importance and necessity of expanding and strengthening economic and scientific and technical exchanges and international cooperation in this sphere. We must open the door to the world in order to acquire the civilized achievements of mankind. This is the correct path in order to narrow the economic and scientific and technical gap between our country and the developed countries.

International exchanges and relationships must be expanded. We must exchange information and associate directly with international scientific organizations and with the scientific and technical circles of other countries. We must participate in the division of specialized labor and cooperate with the countries in the Council for Mutual Economic Assistance and with other countries in the region and throughout the world in international research, development, and production. This is vital if we want to improve our educational, technical, and production standards and create the potential for competing in economic activities. Broad participation in international scientific activities is an important basis for formulating new scientific directions and adjusting to modern sources of knowledge.

Sixth, the unification of education, science, and production and of science and economics and economics and science has become a tendency of socioeconomic and scientific and technical development. The experiences of many advanced countries show that unification is the best path for quickly scoring major scientific and technical achievements and training talented people. This is essential if we are to step up the use of the scientific and

technical advances in the national economy and transform science into a direct production force and transform the fruits of science and technology into commodity products and enable science to become a real motive force in social and economic development. This is also the most effective way to manifest the intellectual potential and capabilities of our scientific and technical labor force.

Seventh, scientific and technical activities require a democratic environment with respect to scientific thinking, a favorable social environment, and respect for intelligence. Talented people must be encouraged, scientific creativity must be promoted, and the scientific accomplishments and technical advances must be quickly applied in production and life.

We must recognize the fact that at present, scientific and technical activities in our country are still far from enjoying a favorable environment. To create such an environment, the first thing that must be discussed is the common thinking of society regarding the role of science and education. Even though the resolutions of the party have affirmed the dynamic role of science and education, unfortunately, to date, scientific and educational activities have not been regarded as the key themes in the leadership and guidance of party committee echelons and authorities. A clear manifestation of this lack of understanding and lack of concern is that the rate of investment in science and education is very low, which has slowed down scientific activities and led to a downgrading of education. The relative backwardness of science and education in a country with a thousand-year-old civilization as compared with countries throughout the world and even as compared with many countries in this region is a very high price to pay for this erroneous understanding. Thus, a pressing requirement is to effect a profound change in understanding regarding the role of science and education throughout society, including the leading organizations. These include integrated organizations of the state such as the Planning Commission, the financial and banking agencies, and the foreign commerce and foreign economic organizations.

It must be recognized that education and science are the foundation of culture and that they have decisive significance with respect to the country's prosperity.

Another urgent requirement is to make changes in the management organizations and management mechanism. Bureaucratic centralism and state subsidies must be eliminated. This method has destroyed the dynamism of the economic and scientific activities. The formation of a new management mechanism must be promoted. The independence of the economic bases and of the scientific organizations must be recognized. Imposing things on scientific conclusions must be stopped, and the monopolization of things by the staff organizations in the preparation of important party and state decisions must be ended. Things must be democratized, and manifestations of special privileges, dogmatism, and a

lack of respect for the creative value of the scientific laborers, even within the scientific organizations, must be opposed. A democratic spirit must be manifested in selecting the heads of the scientific organizations and in giving examinations to select scientific cadres with adequate standards to undertake national scientific responsibilities. This includes the selection of national project and program directors. Non-democratic, arbitrary, and irresponsible ways of doing things must be eliminated, because this has a major effect on the future of science and education in the country.

As for the contents of changing the organizations and making innovations in the scientific and technical management mechanism, the following points must be emphasized:

First of all, it must be realized that the guiding idea in changing the organizations and management mechanism is to unify science, education and production and unify science and economics and economics and science. This is essential if we are to free and develop the country's scientific potential. People often ask how science can be related to economics without relating science to production. Broadly speaking, economic activities include production, distribution, exchanges, and consumption. C. Marx affirmed that these are the elements of the process of social reproduction. Scientific and technical activities are related not only to production but also to consumption. The ultimate target of production is to support social consumption. Thus, the consumption needs of society are the starting point of scientific and technical activities. Satisfying the social needs and recognizing the markets are the standards that must be used to evaluate the results and value of the scientific and technical activities.

We all know that the economic needs of society are the motive force behind the development of science and technology. Only if there is close coordination with the economy can science and technology manifest its value and role. Also, only if there is close coordination with the economy and with the markets will science and technology be able to develop quickly.

Changing thinking requires a thorough understanding of the need to change the organizations and mechanisms. The concept of unification must be solidified using a variety of organizational forms with a suitable structure. This must be ensured by using flexible management mechanism and by making good use of the economic levers and the material and spiritual policies to stimulate the scientific laborers.

As for renovating the organizations, in June 1988, the Council of Ministers issued Directive No 199/CT on rearranging and perfecting the network of scientific research and technical development organizations in our country.

The important point here is to find every organizational form that can be used to apply the organic relationship between science and the economy and between the economy and science. These organizational forms must ensure the direct participation of the scientific collectives in the activities of the scientific research, technical and industrial development, production, circulation, and service projects.

The general form of this is a unified educational, scientific, and production organization and a unified scientific-economic organization encompassing three elements: the colleges, research institutes, and economic bases. Depending on the size, the structure of the elements, and the degree of linkage, these organizations can be called centers, cooperation teams, or federations. These organizations can be juristic entities, and they can be economically independent when necessary. The participating elements can be domestic or foreign elements. The operating principle of the system of organizations is to carry out a coordinated division of labor, implement rational specialization, and have effective cooperation between the colleges, research and development organizations, and economic bases subordinate to the sectors, localities, and various economic elements.

In actual practice, the organizational forms are very flexible and varied. We must give much attention to forms of coordination that are simple but that can overcome bureaucratic centralism and monopolization in scientific activities and improve the results of the training.

Research and development organizations can be established to carry on activities in accord with accounting principles in all economic elements. Scientists must be encouraged to establish research installations and laboratories to conduct experiments. The colleges, research institutes, and scientific collectives must be encouraged to open enterprises and science-production federations that operate in accord with accounting principles and that are self-supporting in order to produce new products based on applying the new techniques.

The provincial and municipal people's committees will establish research and development organizations at the provincial and municipal echelons based on the proposals made by the provincial and municipal scientific and technical committees. As for the other economic elements, to organize research and development units, test installations, or scientific and technical service installations, all that is necessary is to register with the local authorities after the municipal or provincial scientific and technical committee has approved the functions and tasks and it has been determined that there are adequate conditions.

Broad forms of coordination must be developed between the colleges, research institutes, economic bases, sectors, and localities in order to link and unify science, training, and the economy, science and the economy, and the economy and science.

The development of integrated forms must be encouraged, and unification of the colleges, research institutes, and economic bases must be carried out. There must be links between domestic organizations and organizations in other countries, including both socialist and capitalist countries. This must be done by contributing capital, carrying on joint ventures, and establishing corporations and joint enterprises.

The colleges can organize directly-subordinate production enterprises, research institutes, or experimental units with modern production chains in order to develop new techniques, new equipment, and new products with high intellectual content in key spheres.

The applied and developmental research institutes can be established on their own or be placed in enterprises, enterprise federations, corporations, or general corporations in order to form scientific-economic entities or economic-scientific entities, science-production cooperation teams or federations, science-production-business units, service centers, or science-industry-service cooperation teams.

Based on joining the colleges, research institutes, and economic bases, attention must be focused on developing various organizational forms based on accounting principles: self-sufficiency, self-sufficiency in investment capital and the selection of members, and responsibility for profits and losses. In the coming period, we must continue to adjust the organizations based on differentiating the state management system from the research and development bases in order to overcome bureaucratic centralism and administrative authoritarianism and eliminate monopolization in the scientific organizations.

Renovating the organizations must go hand in hand with changing the management mechanism. This is an important precondition for freeing the intellectual potential of the scientific and technical forces. It is of decisive importance in linking and unifying education-science-production and science-economics. Renovating the scientific and technical management mechanism must be tied closely to renovating the economic and social management mechanism. The new management mechanism must link science with the economy and the economy with science. This must be a social and economic development mechanism based on science with the scientific and technical activities determined by the economic and social targets. The new mechanism must create a favorable environment, encourage scientific creativity, develop in accord with the scientific activities, and encourage a spirit of innovation, a scientific spirit. It must encourage the acceptance and application of the scientific achievements and technical advances in the production and business installations. The new mechanism must link the results of applying the scientific and technical advances with the end products of production. It must link the interests of the scientific organizations with those of the production installations. In developing

a new scientific and technical management mechanism. the spirit and contents of resolutions 131 and 199 of the Council of Ministers must be made more concrete and expanded even more.

With a thorough understanding of the principles of democratic centralism, along with improving the results of unified and planned management on a macrocosmic plane, the new mechanism must be developed based on a spirit of decentralization and a clear division of labor with respect to the functions, tasks, and rights of the elements in the system of scientific and technical organizations. The economic organizations and the scientific, technical, and training organizations must be given greater independence. The research and development organizations must gradually shift to using a system of economic accounting and capital self-sufficiency. The state will not pay expenses based on organization and staff. It will pay based on tasks only through economic contracts. That includes the tasks given by the state that have been included in the plans.

The scientific organizations and colleges can take action on their own in formulating and implementing plans based on the tasks given by the state and on the contracts signed with the production, business, and service installations subordinate to various economic elements. The scientific organizations are independent with respect to finances and staffs. They can deal directly with the technical markets and have the right to cooperate with and form a direct relationship with research and training organizations and production installations both here and abroad.

As for state control over the scientific and technical activities, there must be a shift from a direct management mechanism to an indirect management mechanism based on making flexible use of the economic levers, material and spiritual incentives, and tools to regulate the markets. Wholesome competition in scientific and technical activities must be encouraged. The principle of distribution based on labor must be applied correctly in paying the scientific laborers, and the benefits received by the scientists must correspond to the results of the scientific labor.

As for the joint organizations, the state will implement policies to create favorable conditions for generating initial capital and for distributing products at markets both here and abroad. With respect to the research organizations and agencies that create valuable products of high intellectual content, there must be favorable policies concerning finances, credits, prices, profits, depreciation, the formation of funds, sources of circulating capital, and the use of foreign currency and foreign funds. There must also be policies on waiving and reducing taxes. In order to ensure self-sufficiency and implement economic accounting in the scientific organizations, banks or bank branches should be established to support scientific and technical development.

Cadres are the factor that will determine the success or failure of the renovation movement. In order to foster wholesome emulation in scientific and technical activities, the localities must implement specific policies to attract talented people and scientific forces. Based on this, the scientific and technical cadres must be deployed and used rationally throughout the country, in each sector, and in each region.

Each sector must conduct experiments in forming specialized collectives to satisfy the specific requirements of the tasks. Innovations must be made in the training, deployment, and use of the scientific and technical cadres. College training must be reformed, and attention must be given to training in the country. Training must be reorganized and the cadres must regularly be given supplementary training. Norms must be established for the scientific and technical cadres. An open selection process and a system of concurrent posts must be used in order to improve the results in using the forces of scientific and technical cadres.

Things must be done in a democratic and open manner, and every manifestation of monopolization and dogmatism in scientific and technical organizations and activities must be opposed. A social environment and climate that esteems intelligence and talented individuals must be created. Laws must be promulgated to protect ownership rights to invention, and discoveries.

To step up the rate of economic and scientific and technical development, the policies on international cooperation concerning economic and scientific and technical matters must be revised. Our policy is to open the door to the outside world. We want to expand cooperative relations concerning science and technology in every way possible with both the socialist and capitalist countries. A direct relationship can be established for exchanging information, training cadres, coordinating scientific research, and circulating techniques.

There must be decentralization and a separation of powers with respect to sending scientific and technical cadres to do research, train, or work abroad. Cadres and students going abroad to study can pay their own expenses. Everything possible must be done to keep up with world information and receive information essential to economic and social development and the development of an advanced science and technology.

If the changes discussed above are carried out well, science and technology in our country will certainly become a dynamic force for economic and social development.

Since the Sixth Congress, under the light of the resolution of the congress, the resolutions of the Party Central Committee that have concretized the changes in thinking and the innovations in the organizations and management mechanism have all mentioned the role of science.

The Council of Ministers has systematized the innovations in the operating and organizational forms and in the management mechanism in the scientific sphere. Scientific activities are thriving and making notable advances. Science is now serving the national economy and social life more effectively. A number of successful models have appeared at the scientific research and technical institutes and at the colleges and other scientific organizations in strengthening joint ventures, unifying science, education, and economics, and making changes of great promise.

We must continue to use the method of dialectical analysis, coordinate theory with practice, study both the successful and unsuccessful experiences, summarize these in the form of principles and theories, and encourage scientific activities.

In Hanoi and Ho Chi Minh City, in the large cities and localities, in the national economic sectors, and at the economic installations, we must manifest a dynamic and creative spirit, promote the scientific and technical revolution, and enable science to become a powerful force serving the general targets of the Sixth Congress and contribute to stabilizing the situation and improving the country's economic and social situation.

These are the tasks of the scientific cadres, including those in the social, natural, and technical sciences, of the skilled workers and progressive peasants, of the laborers in each economic element, and of patriotic Vietnamese living abroad who have devoted their lives to the struggle to build the civilization and culture of the country, enrich the people, and make our country strong as President Ho constantly helped.

**Editor's Note**

*4/1989 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1 Jan 89 pp 16-17*

[Text] Summarizing the history of man, I based on the methods of dialectical and historical materialism. Marx and Engels affirmed that after capitalism would come socialism and communism, the highest social form to which mankind must advance. Accepting Marxism, Lenin and the Russian Bolshevik party carried out the October Revolution and established the first socialist country in the world. After the Second World War, a number of European and Asian countries threw off the yoke of fascism chose the socialist path and together with the Soviet Union formed an international socialist system.

The path of socialist construction in the Soviet Union during the past 70 years and in the other socialist countries during the past several decades has not been a straight path and this has not been easy. There have been great victories but major mistakes have been made too. History continues to prove that Lenin was correct when he said that there is only one scientific socialism but there are many paths to socialism, many socialist models, many forms that manifest socialism and many forms that bear the special characteristics of the people and nation.

In the revolutionary struggle against the yoke of colonialism and in the war of national liberation, the party and people of Vietnam accepted the truth discovered and proclaimed by Ho Chi Minh: the fatherland and socialism form a unified entity. Socialism is the only path that can be taken to liberate Vietnam from the yoke of oppression and lead the Vietnamese people to prosperity and happiness. Because of its special historical circumstances, Vietnam was the first country in Southeast Asia to establish a worker-peasant regime, but it has followed others in building socialism.

Because of various mistakes and also because of the requirements of theoretical and practical development, world socialism is now facing great challenges, challenges of the period. There are many reasons but one of the most important is that there are misconceptions about socialism. The practical experiences have not been summarized in order to develop Marxism-Leninism. Dogmatism and voluntarism have led to distortions and even "unconscious misrepresentations" of socialism. As a result of economic and scientific and technical backwardness, many negative aspects have arisen in many socialist countries. Capitalism and enemy powers are using every means possible to attack socialism. Vietnam is one of the targets of this attack.

Using its own methods and with a revolutionary spirit and the dialectic of Marxist-Leninist theory, each country is reviewing socialism in accord with the laws of objective development based on its own practices and

the revolutionary changes that are taking place throughout the world in the social and scientific and technical spheres. In Vietnam, the Sixth Party Congress reviewed its activities based on the motto "renovate". The resolution of the congress and the resolutions of the Central Committee and Politburo have clearly pointed out that we must soon overcome backwardness in theory, in theory to practice, summarize the experiences, eliminate mistakes, build and develop socialist revolutionary theory and build socialism in Vietnam. We hope that "Socialism in Vietnam: a Look Back and Renovation" will make a positive contribution to the development of a theoretical system that can be used as the basis for building a socialist revolutionary program in Vietnam. In these articles, our goal is to systematically present the views and research of many authors concerning the path to socialism in Vietnam based on an in-depth analysis of Vietnam's practical lessons. We have been preparing this series of articles for almost a year (since receiving the directive of the Secretariat of the Party Central Committee on TAP CHI CONG SAN). But we are still not at ease because there are large and complex problems. However, in accord with the spirit of the Sixth Party Congress, we are boldly "joining the movement." We hope that our collaborators and readers will respond by sending articles and making criticisms.

**What Is Socialism**

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No 1 Jan 89 pp 18-22*

[Nguyen Dang Quang, published in FBIS-EAS-89-076,  
21 Apr 89]

**Special Characteristics of Developing Our  
Country's Economy Along the Socialist Path**

*4/1989 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1 Jan 89 pp 23-28*

[Article by Dao Xuan Nam]

[Text] I. Changing Understanding Concerning the Process of Expanding the Economy from Small-Scale Production to Large-Scale Socialist Production

"Leftist" deviations and subjective voluntarism in our old way of thinking concerning the process of moving from small-scale production to large-scale socialist production are manifested in three major problems. One is the concept of expanding the production forces using the old theory of industrialization that is giving priority to heavy industry in an industrial-agricultural structure in order to mechanize rapidly and centralize and perfect the sectors in order to ensure a self-sufficient national economy (tightening international links). We have slighted and abandoned many types of services. For example, the information service was put in the "non-productive" class. Attention has constantly been given to expanding

the existing traditional sectors. The second is understanding concerning the process of revolutionizing production relationships with theory promoting public economic relationships: nationalization, collectivization, public ownership, public management, and public interest and elimination of or maximum limits on private ownership (especially self-administration), and private interests. Third is understanding concerning the system of socialist economic management, with people viewing the socialist economy as direct social production that does not require indirect socialization through monetary commodity relationships (the path of capitalism). This led to the construction of a highly centralized and unified management system based on the plans and orders issued from above. Use value was viewed as primary along with making payments and distributing the available material resources. The monetary commodity relationships and market relationships were accepted only in part and on a temporary basis.

A striking characteristic of the old way of thinking was the slavish adherence to the theme of not doing anything in a bourgeois manner and doing things contrary to capitalism all of this in the name of a radical revolutionary position. People hoped to create an economy completely different from and superior to capitalism. Elements of the old model were necessary when the revolutionary regime was in its infancy and was surrounded during the war-time situation. But when the revolution entered a new stage and the task was to set an example in expanding economic competition with that model, the result was totally different from capitalism, but the capabilities were not manifested. Reality has shown that with the old theories and policies, the revolutionary state has imposed subjective will power on objective economic processes. And that process, with the strength of economic necessity, has fallen into a situation of spontaneous and disorderly development. Because of this, the problem of revolutionary change has been posed just like the problem of development. The future of the country and the necessity and superiority of the socialist path depends on the revolutionary changes, above all changes in understanding concerning theory and policy.

With the viewpoint of the Sixth Party Congress, it can be said that there has been a fundamental reconsideration of the process of expanding the economy from small-scale production to large-scale socialist production. The party has confirmed that there are objective capabilities for developing socialism without passing through the capitalist stage of development. What is new is that while we can bypass the capitalist stage of development, we must follow the necessary economic processes. We cannot ignore but must study the experiences of all nations in building, reforming, and developing the economy in the conditions that exist in the world today. Previously these experiences usually focused on the separate aspects of capitalism. These experiences concerned the process of expanding the production forces, the role of agriculture, the processing industry, and the artisan industry and handicrafts, and the role of services—the third

sphere—particularly information services with the qualifications of direct production forces. They also concerned the process of developing a multi-faceted economic structure and developing a small-scale economy based on coordination with setting socialist directions. These experiences also concerned the process of expanding monetary commodity relationships and market relationships in each country. In international economic relationships, the environment must promote socialist cooperation, democratization, and internationalization and create the capabilities and tools to improve the quality and effectiveness of state management of the economy.

Our new understanding is that we cannot restore the old economy or accept the need to pass through the capitalist stage of development. Instead, we must try to establish an economy having new principles and a new character that is in accord with objective historical logic and the country's specific conditions.

## II. Recognizing the Shape of the New Economy That Is Being Formed in Our Country

After the country was liberated and unified, with a strong revolutionary regime and after nationalization, the elimination of the bourgeois class, and the establishment of a state-operated economy based on specified positions, we made an effort to launch many movements and operations aimed at fully implementing nationalization and collectivization and at ending commodity and market relationships. But those efforts were not successful.

Conversely, a tendency to trimore and expand the multi-faceted economic structure and commodity and market relationships appeared like an economic necessity. To different degrees, this tendency appeared throughout the country, especially in agriculture, forestry, fishing, the artisan industry and handicrafts sector, the consumer goods production sector, commerce, and the service sector. This was a tendency of great economic strength, the strength of revival after war. The source of this was the interests of the laborers in a situation in which small-scale production was still widespread. Three economic needs began to be recognized in the policies stemming from the resolution of the Sixth Plenum of the Party Central Committee, Fourth Term (1979). However, that was only a partial and temporary acceptance. In the face of a restoration and expansion of private economic forms and commodity monetary and market relationships, worries arose in the party and society, and people began sounding the alarm: private ownership was pushing back public ownership, the market mechanism was pushing back the plans, and spontaneous capitalism was pushing back socialism. At the same time, the policies and guidance activities lacked unity based on the new viewpoint. Because of this, the economic activities of the elements, particularly market activities, bore many characteristics and dealt with the state's policies using a variety of forms: small-scale, dispersed, and temporary business activities; an underground economy;

and concealment within the form of collectives. Also many new factors appeared, the most striking of which was the appearance of federations, joint ventures and multi-faceted cooperative ventures based on the principle of free will, shared interests, democracy, equality, and using the state-operated and collective economies as the activist in order to expand state-operated production. This new model made it possible to mobilize and liberate the production forces and, at the same time, put the economic elements and market activities within the sphere of the national economic policies and plans and helped put an end to the underground economy and unorganized dispersion. Specific examples are the Marine Products Association, with the Seaproducts Corporation acting as the activist, the Ho Chi Minh City Grain Corporation, the Song Hau State Farm, and the new-style agricultural cooperatives.

Although these new models have appeared, many are still imperfect. The party has gradually reviewed the forms and arrived at conclusions and made fundamental changes in viewpoints concerning the many-faceted commodity structure, the commodity economy, and the management mechanism. The essence of this change in viewpoint is an acceptance of and adherence to objective processes and laws. Based on this, an economic model for advancing to large-scale socialist production without passing through the capitalist stage of development has been formulated.

In the new economic structure, the various elements cannot stand alone or in opposition like two sides in a struggle. Instead, they must join together and cooperate. At the same time, there is competition to expand. The elements are equal before the law, and they cooperate based on the principle of voluntariness and mutual interests. In this, the state economic elements play a leading role. The other elements must develop over the long term, pass through the period of transition, and evolve gradually along the socialist path.

From the viewpoint of the congress, faced with the need to perfect and unify the theoretical viewpoints and policies, it's possible to conclude that the economic model of advancing from small-scale production to large-scale socialist production without passing through the capitalist stage of development is a model of a multi-faceted commodity economy based on a system of cooperating and setting socialist directions. This is a new economy that is different in nature and in principle from a capitalist economy. In this economy, it is impossible to reform the exploitative ruling class. Although there are still rich people and poor people, there is no polarization between the bourgeoisie and the proletariat. The elements and private ownership forms are not "capitalized" but follow the path of socialist cooperation. The important thing is that in this economy, equality is based on the principle of bourgeois jurisdiction and the elimination of average-ism, which is very harmful to the cooperative system and to socialism.

The conclusive acceptance of the new economy being formed in our country is essential in order to unify and implement the concept of liberating the production forces of the five elements and create an economic alliance of elements to form a unit to advance to large-scale socialist production. This economic alliance is the basis of the political alliance of socialist construction forces in the Fatherland Front. The organizational expansion of the Peasant-Worker Association and trade unions to include all the economic elements, including the question of how to have party members engage in economic work, must be debated with respect to the economic alliance, the multi-faceted cooperative system and the acceptance of the new economic form. This is a very basic element of the solution to the problem of developing the country based on the socialist path, mobilizing and creating broad solidarity among the social classes, and manifesting the superiority of the socialist path.

Without such unified acceptance, it's impossible to avoid viewing the new economy from the old standpoint and arbitrarily including old categories and formulas in the new economy, that is, deciding the composition of bourgeois, petty bourgeois, and proletarian elements, separating socialism from non-socialism and the exploiters from the exploited, distinguishing public ownership from other types of ownership, and exaggerating the capabilities of spontaneous capitalism. Given the new political situation and the fact that a new economy is being formed, if things are done that way, there will definitely be a loss of unity and there could even be confusion concerning theory and policies. In such a situation, it will be impossible to free the thinking of those active in the various economic elements and it will not be possible to overcome false opposition between the economic elements. It will not be possible to establish an economic alliance to form the basis for the political alliance of all the people or to form the foundation for developing the country based on the socialist path.

### III. Switching to a Commodity Economy and the Path to Large-Scale Socialist Production

The process of switching to a commodity economy is regarded as a very important part of the process of moving from small-scale production to large-scale socialist production. What this means is that on the path to socialism, we can skip the capitalist stage of development. But it is essential that we go through the process of developing commodity relationships. This new viewpoint is extremely important and is in line with the present viewpoint of Marxist economics, which regards a socialist economy as a commodity economy when its substance is considered over the long term. But to achieve this is a very difficult process. Socialist economic thinking has passed through many complex periods. There have been prejudices and limitations and an attempt to avoid commodity relationships and market mechanisms. These have been viewed as part of private

ownership and capitalism. The view has been that socialism, with the credentials of direct social production, does not need those relationships. Many bourgeois theoreticians and politicians regard commodity relationships and market mechanisms as special characteristics of capitalism. Every time that socialism begins to use commodity relationships and market mechanisms, they view that as proof of the bankruptcy of Marxist theory regarding a socialist economy. In past decades, in the socialist system there has been a tendency to exaggerate things with overblown predictions about the danger posed to socialism by the existence of commodity and market relationships. Every estimate that uses commodity and market relationships is criticized and ridiculed and in the end regarded as following the capitalist path. Attempts at economic reform have usually been foiled. Lenin's thinking during the NEP period was viewed as a temporary step backward. In the real situation of the socialist economy, the commodity currency, and market relationships are in the process of formation, and things are just partial and temporary. The countries that have conducted an historical experiment have witnessed the formation of a material economy with bureaucratic centralism as the regulatory mechanism within the framework of administrative socialism.

At the same time, elsewhere in the world, the commodity, currency, and market relationships have expanded greatly, passed through many crises, and suffered many defeats. But they have also reached a very high level and are in use by many nations. Capitalism is learning how to use these relationships more and more effectively in the national and international spheres. Socialism has had to pay a high price for this lesson. The material economy model, with its system of bureaucratic centralism, has become an impediment and is contrary to the nature of socialism.

Two conclusions can be drawn from this. First, socialism has not been defeated by the capitalist economic system. The capitalist path of development is not superior to the socialist path. The material economy has not been defeated by the commodity economy. Second, the commodity economy is not a special characteristic of capitalism. With the credentials of an objective economic process, commodity and market relationships were in existence long before capitalism. They have continued to exist and develop in the process of advancing toward socialism and in socialism. These relationships have existed and developed with mutual influence in the other objective economic processes. The social-economic nature of these relationships depends on the social-economic structure in which they exist.

Given our low level of development, switching to a commodity economy in our country in the new historical period will require a long struggle. This is a complex and multi-faceted process that involves switching from a self-sufficient economy to a commodity economy, from a (wartime) economy of making payments and supplying

materials to a commodity economy, and from an outmoded commodity economy (during the time of occupation) to a new type of commodity economy. In short, this is a process of switching to a commodity economy in substance and over the long term.

In recent years, the process of switching to a commodity economy has expanded and penetrated more and more deeply into the spheres of social production with the strength of economic necessity and postwar revival. This has given rise to many new factors. At the same time, it has been too spontaneous, and it has encountered many obstacles and caused much confusion and agitation. However, given the confusion and great complexity (and strangeness) of the process of restoring and developing the commodity economy, with the experiences of our country and of other countries, it can be affirmed that in the new political system, switching to a commodity economy is not only necessary but will help the production forces to expand and stimulate the multi-faceted structure to develop based on a cooperative system with socialist targets. This will stimulate innovation, expand international relationships, and renovate the management mechanism.

Restoring and expanding the commodity, currency, and market relationships will not only create a very favorable environment for the expansion of the production forces of all the elements in the new economy, stimulate socialization in all the material and technical sectors and promote a division of labor on a national and international scale but also create an environment for developing joint ventures and multi-faceted cooperative relationships based on the principle of democracy, voluntariness, and mutual interests. In this, the state-operated economy will implement economic accounting and play an activist and guiding role in forming large commercial production consortiums (associations) on a national scale. And it will be possible to expand things and increase the results of the division of labor and international cooperation. The revival and development mentioned above will create an environment and create economic forms that will greatly stimulate the process of accumulating and expanding social production assets and the use of these assets in a more effective manner based on mobilizing the assets of each element using government loans, credits, and commercial funds. On the other hand, this will generate a tendency to give public capital and asset contracts and quotas to individuals and labor collectives, which will manage and use things directly. This will entail a system of material responsibilities and encompass the principle of mutual interests between ownership and management and it will ensure the superiority of the system of public ownership. In the end it will make it possible to renovate and increase the effectiveness of state economic management based on switching to the use of economic measures (with the financial and monetary tools and strengths of a commodity economy in close coordination with democratic trends), implementing the system of self-management (contract management) by producers and businessmen, and liberating the state organizations from

bureaucratic centralism on behalf of the producers and businessmen in order to become involved in state economic management functions, particularly at the macro level.

It can be concluded that in order to master and promote the process of switching to a multi-faceted commodity economy based on a cooperative system and to manifest the superiority of the socialist evolutionary path, it is essential to follow and develop Lenin's ideas in the new economic policy of using commodity and market relationships, applying the cooperative system and state capitalism in order to lead the economic elements to socialism, switching to economic accounting—actually establishing state enterprises before markets based on trading principles—and changing the contents and the methods of implementing the state's plans on a unified national economy. This is essential in order to get away from the old model and switch to the new model in accord with the process of economic evolution.

### On the Period of Transition to Socialism in Vietnam

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No. 1, Jan 89 pp 29-34

[Article by Lê Đức Thọ, MS in economics]

[Text] Forming a scientific viewpoint on the process of advancing to socialism in Vietnam without going through the capitalist stage of development will take forces and time. However, relying on the theoretical and practical results that have been achieved both here and abroad, we can now draw a few important methodological conclusions.

1. Vietnam's stage of advancing to socialism must be different in style from that discussed in the classic works of Marxism-Leninism (which mention only the possibility of implementing such a stage but which do not discuss how this is to be done) and from that implemented in the Soviet Union and almost all the other socialist countries. The difference centers on two points. First, the objective that had to be reformed was a capitalist society with a level of development of the production forces and social and economic structures, which when comparing the class forces, conflicts, and development trends was different from those societies where capitalism had become the dominant production formula. Second, the internal material and socio-economic preconditions necessary for advancing directly to socialism—that is, that will allow us to begin carrying out, on a broad scale, the tasks of the transition from capitalism to socialism—were lacking because of the objective preconditions created by capitalism.

The viewpoint is that with a strong industrial-agricultural regime and the leadership of the Communist Party, we have the internal capabilities to "advance to socialism without passing through the capitalist stage of development." A different way to say this is that in revolutionary countries led by a communist party, the

conclusion of the national democratic revolution is also the starting point of the socialist revolution. This has not been explained in detail, and in actual practice, it has been used in a simple and voluntaristic manner. When contending with various arguments, Lenin said that Russia had a low level of capitalist development and did not have the preconditions to carry out a socialist revolution. He correctly posed the question: "Why don't we seize control of the administration and smash the ruling apparatus of the bourgeoisie and landlords in order to create these preconditions?" No one had ever said that seizing control of the administration was in line with having the preconditions to build socialism. It must be understood that in advancing to socialism in Vietnam because of the success of the national liberation movement and because of seizing control of the administration, under the leadership of the party, we have the capabilities to create, in an active and conscious manner and in a much shorter time as compared with the spontaneous historical process, the preconditions necessary for advancing to socialism without passing through the capitalist stage of development. But this does not mean that we can make the transition immediately or advance to socialism without first creating these preconditions.

2. The difficulties, mistakes, and failures of the plan to build the bases of socialism on a broad scale immediately following the completion of the national liberation movement in our country were clearly exposed toward the end of the 1970s and the beginning of the 1980s. This led to a correct and extremely important strategic view: "There must be an initial stage in Vietnam's transition to socialism." Unfortunately, to date, we have not clarified the economic and social contents of the initial stage in either theory or practice.

The Sixth Party Congress (December 1986) decided that the tasks to be carried out in the remaining years of the initial stage are to stabilize the economic and social situation, create the preconditions for promoting socialist industrialization in the next stage, abandon the plan to complete socialist reform within one 5-year plan, and so on. This gave the ideas on the initial stage more concrete and realistic contents. But even so, these are just adjustments in the face of the pressures of life. They are not based on a scientific basis or a fundamental understanding concerning the nature, contents, targets and tasks of the initial stage in our country's period of transition to socialism.

Theory on how the economically underdeveloped countries are to advance to socialism without passing through the capitalist stage of development affirms the necessity of having a special stage in the revolutionary process of these countries based on the direction of advancing to socialism. This is the democratic stage of the revolution, which usually begins after the workers and peasants have taken control of the administration, the political domination of the old exploitative classes or invaders has been

ended, and the military resistance and armed intervention of the reactionaries in and outside the country has been smashed. The essence of the democratic stage is that it is a stage of systematically completing the tasks posed for the bourgeois democratic revolution and creating the economic, political, social, ideological, and cultural preconditions necessary for building the bases of socialism in the following stages.

Outlines such as "the national problem in reality is a peasant problem" and "land revolution is the basis and theme of the bourgeois democratic revolution" have been misunderstood. This has led to the idea that after the workers and peasants have seized control of the administration and the invaders have been defeated, solving the land problem for the peasants will complete the national democratic revolution, or that the tasks of the bourgeois democratic revolution will have been completed. Thus, we can and must take steps to carry out the tasks of the socialist revolution. In reality, the tasks of the bourgeois democratic revolution are much broader and more complex. Even if attention is given to carrying out these tasks during the war of national liberation, most of these tasks can be tackled only after the war ends. Thus, there must be a specific stage, the democratic stage in which the economically underdeveloped countries can carry out the tasks and create the preconditions for building socialism.

The special development of our country's revolutionary history does not permit us to determine clearly the various stages of development and from that apply the theoretical conclusions. In reality, we have and are directly carrying out many of the tasks in building the material-technical and social-economic bases of socialism. At the same time, we lack many of the necessary preconditions for carrying out these tasks. These preconditions are broader, deeper, and more complex than the preconditions for promoting socialist industrialization. They are more complex than we imagined during the initial stage (stabilizing the economy and standard of living and creating accumulation within the economy). The preconditions that do exist are due to the fact that the special internal and external conflicts have been resolved, enabling the capitalist countries to advance to socialism in the economic, social, political, ideological, cultural, and historical spheres and make changes in social life so that they can accept the achievements of socialist revolutionary reforms.

I believe that analyzing the conflicts in a concrete manner and determining ways to solve the conflicts will provide us with the theoretical contents and a practical basis for a scientific viewpoint on the initial stage of the transitional period in our country.

3. Along with changing the viewpoint on internal capabilities in advancing to socialism without passing through the capitalist stage of development, there must

be a change in viewpoint on the external capabilities of this transition, or to put it differently, on the international factors related to building socialism in Vietnam.

For a long time now, our views on the external factors or conditions needed to ensure a successful transition to socialism have focused on material, technical and financial aid (along with active military, political, foreign affairs, and spiritual support), primarily from fraternal socialist countries, particularly the Soviet Union. Our efforts in exploiting the outside capabilities for socialist construction have revolved around one target—how to find more and better sources of such aid.

Naturally, every capability must be made material and transformed into a material force if advances are to be made. But reality shows that such a simple viewpoint regarding external factors does not provide a sufficient scientific basis for finding effective measures to transform potential into reality.

Above all, the viewpoint discussed above has given rise to a concept and psychology of relying on others and waiting for outside aid and help that is given free or on very favorable terms. Whenever the amount of material aid does not meet our needs, we either have subjective thoughts about the attitude of our friends or we vacillate and lack unity in building strategic alliances.

The above viewpoint does not stem entirely from the fact that the socialist world, with today's level of development, does not have unlimited capabilities with respect to helping the underdeveloped countries that have chosen to follow the socialist path. The internal economic and social problems must be solved, and the capitalist economic challenge and the need to maintain a strong national defense in the face of the increasing militarism of the imperialists do not permit the fraternal socialist countries to provide sufficient aid to satisfy the development needs of our economy even though this aid is based on the principle of cooperation and mutual benefit.

However, the fundamental error of this view with respect to the international factors of development is that it ignores the need to create the internal social and economic conditions needed to transform the external factors into internal factors. Lacking such conditions, the material and financial sources brought in from abroad cannot produce any real change in the economy. It's like "wind in an empty house." This has been the situation here for a long time. During the 10 years since the end of the war against the American imperialists, we have received more than 10 billion rubles in loans and aid. That huge sum of money is not all, but it has been sufficient to create a basic change in production and social standards. But it has not helped to create the stability needed for a dynamic expansion of our economy. At the same time, the time is soon coming when we will have to start repaying the loans. If we have to ask for more time to repay the loans, that will naturally make it more difficult for us to find new sources of loans.

Our experiences and international realities affirm that stimulating the internal economy based on eliminating the sluggishness of a self-reliant economy by expanding commodity-currency relationships and turning the economy into a commodity economy is the basis for exploiting the international factors of the transition to socialism. But this depends on selecting a development strategy and on determining the correct formulas and elements so that an underdeveloped country can become involved in an international division of labor and economic cooperation.

So far, success has eluded those underdeveloped countries that have chosen the "import substitution" strategy of development, that is, the development strategy based on striving to satisfy the country's production and consumer needs by oneself. Success has come and can come (naturally, to different degrees depending on many other conditions) only to those countries that have switched to an "export" strategy. In reality, this is a strategy of transforming the country's economy into an organic part of the system of international division of labor and cooperation and using the task of satisfying the needs of others as an effective means to satisfy your own needs.

In short, there must be a change in our viewpoint on the international factors relating to the transition to socialism. It must be affirmed that the transition to socialism can be accomplished only by implementing a development strategy that creates internal dynamism and economic needs and that transforms the economy into an organic part of the socialist and international system of division of labor and cooperation. The basis of this process is to make economic life commodity oriented both internally and externally and enable the country to appear on world markets with the credentials of a real commodity producer.

**4. Determining the time parameter of the transitional period and of each stage of the transition must be clarified in the scientific viewpoint on the transitional period in our country**

There is no doubt about the necessity of this. Determining a relatively accurate time frame for each stage of development and for each historical period is the basis for developing an effective program of action and setting long-term guidelines. But to date, the way that we have adjusted to this problem has been very irrational.

Above all, time limits must be set if we have not determined clearly the basic and objective tasks that must be carried out in each stage and for the transitional period as a whole. For example, if stabilizing the social and economic situation and creating the preconditions for industrialization are viewed only as a means to enable production to hit the present low capital use targets (for food, approximately 2,000-2,200 calories per person per day) and accumulate a little from within the economy, the end of the initial stage will naturally be

shorter as compared with stabilizing the situation by balancing the dynamism of the economy based on a standard of living different from that of today (for example, doubling the real per capita income). The precondition for promoting industrialization is a system of changes in the economic, social, ideological, and cultural conditions. It is not simply a matter of creating a financial source.

Also, you do not estimate time limits by determining the means that will enable you to fulfill the tasks that must be carried out during the initial stage or in the transitional period as a whole. This is because the time needed to pass through an historical period depends on the distance and nature of the path, the complexity of the obstacles, the means mobilized, the methods used, and the rate of progress in that stage. In order to restore a war-ravaged economy and create the preconditions to step up socialist industrialization, in conditions much more difficult than ours, it took the Soviet Union only 7 years (1921-1927) thanks to implementing a new economic policy. We have spent almost twice as long but have still not made any progress because of our long adherence to bureaucratic centralism and state subsidies. Our selection of a strategic plan of development will determine the time needed to complete the tasks of the transitional period in general and of the initial stage in particular. If the estimates are not related to the proposal of specific strategic plans, they will lack a basis and not have practical significance.

In general, all the plans for determining the time frame for the transition and for the initial stage have been influenced to some degree by an erroneous viewpoint. But they have deep roots and psychological strength that is difficult to eliminate. I am referring to the viewpoint of regarding socialism and advancing to socialism as a goal in itself instead of a means to liberate people. This viewpoint has led to hasty and resulted in many phenomena and processes being labeled "socialism" when they are not in fact "socialist." Time limits have been set for moving from one stage to another without any basis, and little attention has been given to the practical and specific advances that must be made.

If it is understood that socialism is not the "holy land" where everything will be perfect but rather the mark of a certain level in a long-term process filled with difficulties in the struggle to liberate man, it probably won't be necessary to worry about determining when the initial stage will conclude or when the transitional period will end. Instead, we should focus on deciding what specific advances we can and should make by a certain date (1995, 2000, 2005, and so on) with respect to labor productivity, the standard of living, and capabilities for satisfying the cultural and spiritual needs of the laborers. Such specific targets will attract the attention of the masses more than such general targets as "the conclusion of the initial stage" or the "completion of the transitional period."

## Research

### The Mekong Delta in Implementing the Three Major Economic Programs 42100006 Hanoi TAP CHI CONG SAN in Vietnamese No 1, Jan 89 pp 35-40

[Article by Van Minh Tan, research cadre, Institute of Social Research, Ho Chi Minh City]

[Text] The Mekong Delta is a relatively young delta as compared with other deltas in the country. After a period of land reclamation, the Mekong Delta still has many special natural as well as economic and social characteristics. This is a region of great economic potential.

#### I. The Mekong Delta in the historical process:

The process of reclaiming the Mekong Delta took place during a period of great change in our country's history, the period of feudalism, French colonialism, and American aggression and domination. During the feudal period, land reclamation achieved certain results. But the "closed door" policy of the Nguyen dynasty restricted the production capabilities of this region.

Right after they invaded our country, the French colonialists realized the Mekong Delta's potential for producing rice. Andre Masson, a French expert on Indochina, observed that "with Nam Bo, France has the most fertile and sparsely populated region in Indochina. This region can produce great economic results."<sup>1</sup> Because of this, France transformed this region into a one-crop region where rice was produced for export. During the period 1880-1937, the area under cultivation increased from 522,000 hectares to 2,200,000 hectares, and export rice yields increased from 284 tons to 1,548,000 tons. According to Paul Bernard, around 1910, yearly per capita rice yields in the region were approximately 1,043.5 kg, of which 869.5 kg were reserved for export. Because there was no industrial or technical base to support agriculture, rice yields in the Mekong Delta during the French period were very low, that is, 1.2 tons per hectare.

After 1954, the Saigon regime continued to do studies and invested in exploiting the Mekong Delta. During that period, rice continued to be exported, with exports reaching a peak of 350,000 tons in 1960. The Mekong Delta supplied 70 percent of the ducks and duck eggs, 60 percent of the chickens and chicken eggs, 50 percent of the pigs and pork, 37 percent of the fish (half of which was freshwater fish), and many other agricultural products for all of southern Vietnam.

Before liberation, agriculture in the Mekong Delta was being turned into commodity production based on self-reliant production. The spontaneous division of labor between the localities led to the formation of a number of areas which, while dispersed, were moving in the direction of specialized cultivation. That manifested the

strengths and traditional occupations in the localities. But the lack of specialized areas created difficulties for linking the economies of these areas to those of other places in the country.

#### II. The Mekong Delta in implementing the three major economic programs

##### 1. Factors influencing economic development<sup>2</sup>

The objective natural factors include:

Positive factors: a system of rivers and canals that is more than 5,000 km long, coastal mangrove swamps and eucalyptus forests; and principal communications routes connecting Ho Chi Minh City and other places.

Factors that are both favorable and unfavorable: A 600 km coastline and a 300 km border with Cambodia.

Unfavorable factors: Acid, sulfate, and saline soil and areas that are flooded for long periods (about 2.5 million hectares during the dry season).

In the Mekong Delta, the positive factors that have created favorable conditions for production and for implementing the three major economic programs outweigh the negative factors.

The human factor: The peasants in the Mekong Delta have much experience in production and willingly accept new techniques such as varieties, fertilizer, and machinery. They are very sensitive to the markets and carefully calculate the economic benefits.

##### 2. The present production situation in the Mekong Delta and the implementation of the three economic programs

###### a. Industrial and artisan industry and handicrafts production: Nine provinces in the Mekong Delta account for 15 percent of the country's value of gross industrial and artisan industry and handicrafts production.

The percentage accounted for by industry in the Mekong Delta's value of gross agro-industrial production is 25 percent (the average for the entire country is 53.6 percent).

The food processing sector (mainly the milling of rice and the production of cane sugar) accounts for almost 65 percent of the region's value of gross industrial-artisan industry and handicrafts production. The other sectors account for only 5 to 10 percent.<sup>3</sup>

In general, the Mekong Delta has great potential with respect to raw agricultural, forestry, and marine materials, which can be used to expand the industrial-artisan industry and handicrafts sectors on the spot. However, because expansion has been arbitrary, because things have been done on a small scale and in a disper-

manner, and because of the lack of plans, the relationship between industry-artisan industry and handicrafts and agriculture is very loose.

b. Agriculture: The Mekong Delta accounts for 43.3 percent of the value of gross production of agricultural and marine products sent to the center by the localities (the Red River Delta accounts for 15.7 percent).

**The crop growing sector:** Grain crops take up almost 95 percent of the region's farming area. In this, subsidiary food crops account for only 3.6 percent (the figure for the entire country is 16.5 percent).

**Rice:** Rice plays the major role in terms of both area and yields in the grain crop pattern and entire crop allocation. The area planted in rice accounts for more than 97 percent of the grain area and more than 91 percent of the agricultural area. In 1986, the rice yield for the entire region was 7,153,000 tons, which was a yield of almost 3.1 tons per hectare.<sup>4</sup>

Every year, the Mekong Delta produces more than 42 percent of the country's total rice yield (almost 46 percent in 1980). The Red River Delta produces only 20 percent. Also, the Mekong Delta has the highest per capita grain yield in the country. In 1985, the figure was 512 kg (Kien Giang, 593 kg), and in 1986, the figure was 518 kg. Each year, almost one-third of the total amount of rice produced in the Mekong Delta is sent out of the region to other places.

**Industrial crops:** Sugarcane and soybeans are two short-term industrial crops of special significance in the region. The sugarcane grown here accounts for 44 percent of the country's sugarcane area and 40 percent of the sugarcane yield, and the soybeans grown here account for 26 percent of the soybean area and 46 percent of the soybean yield. About half of the total sugarcane and soybean yields are used to support the needs of other regions. Tobacco accounts for 17 percent of the area and 32 percent of the yield. Jute accounts for 14 percent of the yield. Coconuts account for 90 percent of the country's yield. The 60,000 hectares of orchards also support the needs of other regions.

The Mekong Delta is in the process of forming zones that specialize in many types of agricultural crops, and the direction is toward an all-round expansion in food crops. However, except for rice, the other types of crops account for a very small percentage, that is, 5.4 percent of the farm land (1986). The area for growing short-term industrial crops is very dispersed, and there is a lack of stability because of unreasonable prices and purchase policies.

**Animal husbandry:** The Mekong Delta specializes in raising hogs and produces a large volume of commodity products. Although the number of hogs accounts for only 15 percent of the country's total number of hogs, the amount of pork, live weight, sent out of the region

accounts for almost 60 percent of the pork sent to the center by the localities. Raising ducks near the rice zones is a widespread practice in the Mekong Delta. The number of ducks raised here accounts for half the total number raised in the country, and they are of export value. The marine products sector accounts for more than 20 percent of the value of the products produced by the animal husbandry sector.

c. **Fishing:** This is a specialized production sector of the region. Annual catches here account for almost 40 percent of the country's total catch.<sup>5</sup>

d. **Forestry:** This sector does not hold a very important position as compared with the natural potential. It is like a secondary production sector. The forests, particularly the mangrove swamps, have not been exploited in a orderly manner. They must be protected in order to enrich the production structure and increase the region's economic results.

As a key food region, as the largest commodity grain production region in the country, and as a region that supplies various types of raw agricultural and marine products to the industrial and artisan industry and handicrafts sectors and that supplies commodities for export, the Mekong Delta rightfully holds the No. 1 position in agricultural production in our country today.

**III. The problems that must be solved in order to implement the three economic programs and create the conditions for carrying out socialist industrialization:**

1. **Adjusting the crop allocation and the agricultural structure in accord with intensive cultivation measures:**

In order to overcome the monocultural situation, the Mekong Delta must adjust the crop allocation as follows:

a. Based on the natural conditions, it must find a crop allocation that is in accord with the arable land. "Looking only at the natural conditions, with respect to rice, almost two-thirds of the area in the Mekong Delta is unsuitable."<sup>6</sup>

b. An area that specializes in the cultivation of industrial crops must quickly be formed (without posing the question of self-sufficiency in grain in the region, the state must implement a rational price policy for industrial crops and special crops).

c. In stipulating a crop, two things must be examined: use value and exchange value (based on world markets).

There must be specialization and an integrated expansion of the various forms. The production structure must have a centralized nature in order to have a large volume of commodities, and there must be many types of goods for export or for an exchange of grain. The tendency to provide grain in a "closed" manner must be opposed. In

order to coordinate things with the specialized cultivation areas, agro-industrial, fishing-industrial, and forestry-industrial cooperative teams must be formed and expanded, and the processing industry, which is still weak, must be expanded.

Intensive cultivation must be promoted. This is a very important guideline, because labor man-days in the Mekong Delta are still low as compared with other delta areas in the country.

### 2. The Mekong Delta and the storage and processing of agricultural products (the stages after harvesting)

Excluding those cases in which all the products are lost because of inferior protection (destruction by floods, insects, and microorganisms), the percentage of agricultural products damaged has sometimes reached 25 percent of the total yield (the yearly average for rice is 15-18 percent).<sup>7</sup> Using a figure of just 20 percent, each year 1.5 million tons of grain are lost in the Mekong Delta. Because of this, the storage and processing of products is of great importance to agricultural production in the Mekong Delta.

Those forms of storing and processing products on a family and collective economic scale that do not require a large investment must be promoted. Besides this, things must be coordinated with Ho Chi Minh City in processing and storing a number of types of goods of high export value.

The storage and processing of agricultural products is a sphere that attracts many surplus laborers and that creates additional types of consumer and export goods for society. Thus, the households and collectives presently engaged in storing and processing products must be transformed into satellite elements of the agro-industrial, fishing-industrial, and forestry-industrial cooperative teams.

### 3. The population problem and the arrangement of the population:

In 1986, the average population density in the region was more than 355 people per square km, which was more than double that for the country as a whole. In 1985, the population growth rate was 2.3 percent (more than 2.7 percent in the rural areas). With this rate and the migration rate during the past several years, by the year 2000, the Mekong Delta will have a population of almost 20 million people. Thus, there must be migration plans and measures to reduce the population growth rate to 1.6-1.8 percent. If this is not done, most of the increased amount of food produced will be consumed locally. And in the next 5-10 years, the Mekong Delta will no longer hold the position that it does today.

### 4. A number of problems concerning viewpoints and policies:

#### a. Investment viewpoints and policies: Based on the following special characteristics, there must be suitable investment policies for the Mekong Delta

**Stability in production:** Reviewing the climatic and hydrological situation in recent years shows that in 11 of the past 13 years, there were natural disasters in the Red River Delta and along the central coast. The situation was most stable in the Mekong Delta, where there was only one bad harvest.

**Production results:** In the Red River Delta, the capabilities for producing agricultural commodity products are very limited. Even though the land use factor has tripled (and even quadrupled in many places), per capita grain yields declined from 264 kg in 1982 to 250 kg in 1984 and to 230 kg in 1987.<sup>8</sup> Conversely, in the Mekong Delta, production results have been quite high. Large amounts of agricultural commodity products having the special nature of a tropical climate have been produced (the per capita grain yield was 518 kg in 1986). The Red River Delta cannot expand intensive cultivation much more (this has almost reached the saturation point). But in the Mekong Delta, there is still great potential. In the Mekong Delta, it takes only one-third to one-half as much chemical fertilizer to produce a certain amount of high-producing rice as it does in the Red River Delta. And the amount of labor expended per ton of intensively cultivated rice is only one-fourth to one-third as much as in the Red River Delta and sometimes only one-half to two-thirds as much as in Quang Nam-Danang.<sup>9</sup>

Thus, the state recently decided to concentrate investments on the Mekong Delta. As the resolution of the Sixth Party Congress pointed out: "In the coming years, we must resolutely concentrate our material conditions on the key commodity grain regions. The Mekong Delta is the country's largest commodity rice region."<sup>10</sup>

However, we should not invest to exploit the raw agricultural, piscicultural, forestry, and marine products for export out of the region while ignoring investments to expand the infrastructure of production and society. We cannot slight the development of public health, culture, or education, because the standard of living of the people in the region is still below the national average.

#### b. Views on the agricultural cooperativization policy: Thirteen years ago, the agricultural cooperativization policy in the Mekong Delta revealed various limitations, specifically the obstacles to expanding production in the rural areas. The present situation in the Mekong Delta shows that the forms for carrying out agricultural cooperativization must be flexible and varied and there must be coordination between the family economy and the other economic elements. In this, the family must be the subject of agricultural production. This adjustment of the production relationship is in accord with the standards of today's production forces. This will be the decisive factor in promoting the process of agricultural cooperativization. In this, the state must play a dynamic

and active role and take steps to ensure that commercial production at the family level does not have the spontaneous nature of the previous individual economy.

c. On price policies: Recently, the exchange rate between agricultural materials and agricultural products has become more favorable for peasants in the Mekong Delta. But as compared with other regions in the country, there is still much inefficiency. The incomes of rice producers in the Mekong Delta are much lower than those of people who grow industrial crops. This is a result of the grain purchasing and exchange policies, in which prices are not equal. The state must promptly make adjustments in order to have a more rational exchange rate and ensure that the state does not suffer losses with respect to imported raw materials. Agricultural production must be stimulated by using subsidy measures in order to encourage the peasants to participate in intensive cultivation and multicropping and produce many agricultural products.

With respect to agricultural products in the Mekong Delta, in previous years the price policies have originated more from acquisition requirements than purchasing requirements. Although they have been called mutually agreeable prices, they are still too low as compared with the cost of industrial goods.

I think that we must concentrate on solving several problems with the tax and price policies for the peasants.

The grain tax must be stabilized within a specific period of time. The percentage accumulated for investment in production should be 15-20 percent of income (it is now only 5 percent).

The price of surplus grain must be raised in order to stimulate grain production.

The solution is not to purchase the surplus grain but to allow the peasants to use it to produce commodity products and sell it at the markets with a low tax rate.

5. Organizing the economic relationships between the provinces in the region and between the various regions (particularly with Ho Chi Minh City): The provinces in the zone must form economic links with each other. The provinces to the east of the Tien River must concentrate on growing grain, vegetables, subsidiary food crops, fruit, and industrial crops and producing marine products in order to provide food, raw agricultural materials, and marine products to Ho Chi Minh City. The provinces to the west of the Tien River must use Can Tho City as the center and concentrate on expanding the agricultural, forestry, and marine products processing industry. The ports must be expanded, and communications routes to the various areas must be developed. The provinces must be linked in the development plans. Export activities must be promoted, and there must be economic links and exchanges with other countries and with other regions in the country.

Expanding production in the Mekong Delta and implementing the three major economic programs here cannot be restricted to within the region. This must be done within the scope of an economic relationship encompassing the entire zone and the entire country and a relationship with international markets and an international division of labor.

#### Footnotes

1. "L'histoire de l'Indochine," p 85, Edition Paris, 1950.
2. Unless otherwise noted, the data presented here were taken from "Nien Giam Thong Ke" [Statistical Yearbook], 1984 and 1985.
3. Pham Thi Ha, "Organization of Industrial-Artisan Industry and Handicrafts Production in the Mekong Delta Districts," District Level Research Project in the Mekong Delta, College of Economics, 1986, p 13.
4. Data from the Agricultural Zoning Institute, 1986.
5. Nguyen Van Muoi, "Fishing in the Mekong Delta," KHOA HOC PHO THONG, 2 January 1984.
6. Le Ba Thao, "On the Land Use Problem in the Mekong Delta," "Nhung Van De Khoa Hoc Xa Hoi Ve Dong Bang Song Cuu Long" [Sociological Problems Concerning the Mekong Delta], 1982.
7. "Thoughts on Providing Food in Our Country Today," TAP CHI CONG SAN, No 9, 1987, p 30.
8. Report by Vo Van Kiet at the National Assembly on 22 June 1988.
9. Dang Kim Son, "Cac He Thong San Xuat Nong Nghiep O Dong Bang Song Cuu Long" [Agricultural Production Systems in the Mekong Delta, Ho Chi Minh City Publishing House, p 253].
10. "Main Guidelines and Targets for 5-Year Social and Economic Development," TAP CHI CONG SAN, January 1987, p 90.

#### Exchange of Opinions

##### New Ideas on the Leadership of the Party

42100006 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 41-45

[Article by Nguyen The Phan, Editor in Chief of THONG TIN LY LOAN]

[Text] In recent years, the matter of party leadership (here, the communist party) has become a subject of theoretical research both here and in many fraternal socialist countries. This has been studied from various angles: Is the party a power organization? Can it be said that the "party holds power?" How does the party lead

politically? Can it be said that the party leads society in an all-round, direct, and absolute manner? What are the present leadership formulas of the party? These are some of the fundamental questions that we must study. Here, I would like to present a number of initial thoughts on these questions.

1. On the nature and leadership function of the party:

As everyone knows, in a truly democratic society, power belongs to the people. But in order to ensure the rights of the people, there must be a division of social labor, with specific tasks and powers delegated to the party, state, and mass organizations.

In this division of social labor, the party provides leadership, the state administers the affairs of society according to the constitution and laws, and the mass organizations participate in formulating the important decisions of the party and state and contribute to controlling and monitoring the implementation of these decisions.

Thus, the party is the leading organization. It is not a power organization in general or an organization of state power. Thus, I don't think it is correct to say that the "party holds power." Rather, it can be said that the "party leads the administration." If you say that the "party holds power," people might think:

a. The party organizations are also administrative organizations, and the party will handle things in place of the administration.

b. The administration is merely the tool of the party. The party will give orders to the administration like a worker operating a machine.

These two views both lead to a terrible result: the party becomes bureaucratic, and the administration loses its role and its ability to manage. When a "party holds power" like this, the result is one-party rule.

If the party does not "hold power," does the party lead the administration and, if so, how? The leadership of the communist party with respect to the socialist state is a theoretical problem. Above all, the party sets guidelines for the development of society and the state. For example, it selects the political and social principles and decides which line to follow. It makes decisions on the development strategy and decides which major policies and principles to implement in the internal and external spheres. The state must be organized and operate in accord with the principles determined by the party so that it can serve as the tool in manifesting the will of the people.

Leadership also means supervising the work of the administration and recommending, but not appointing, superior cadres to the administration.

As mentioned above, the party's leadership with respect to society is based on having the trust of the people. It is the people who entrust the party with leadership. This is not a natural right. Thus, the party must strive to maintain this trust through the correctness of its political lines and through its ability to convince and mobilize society. That cannot be regarded as a right granted in perpetuity.

For almost 60 years, the party has enjoyed a "monopoly" in leading the revolution, because the party has not shared leadership with any other political organization. This is in conformity with history's law of development and our country's political and social situation. However, in the new historical situation, the party's monopolization of leadership has exposed various dangers that we must be on guard against: communist arrogance, subjective voluntarism, and sluggishness, which can lead to decline.

Another aspect is, can it be said that the "party leads in an all-round, direct, and absolute manner?" The party's leadership themes are not rigid or unchanging. During the war, it was right for the party to lead in an all-round, direct, and absolute manner. That was necessary in order to quickly concentrate the forces in order to win. Today, during peacetime, the economic and social problems have come to the forefront. Culture, education, public health, science and technology, information, and foreign affairs have become the pressing issues in social life. The administrative apparatus of the people serves to administer and manage the affairs of society. Thus, the leadership themes of the party are different from before. The party is not trying to replace the administration or solve specific problems that are the responsibility of the administration. But the party is concerned with the political aspects of the problems in each sphere. For example, in solving the problems, are the interests of the various classes of people being coordinated correctly? Is there anything contrary to the nature and principles of socialism? Are any of the actions taken contrary to the lines, policies, and statutes promulgated? Thus, unlike before, it can no longer be said that the "party leads in an all-round, direct, and absolute manner." What should be said is that the "party leads politically in every sphere of social life."

In short, in the present renovation movement we must reconsider and gain a correct understanding of the nature and function of the party's leadership in order to make all-round changes in the leadership formulas and activities of the party and ensure that the quality and effectiveness of the party's leadership increases.

2. On the party's leadership formula:

As President Ho taught, the party is both the leader and the servant and of the people. Thus, the leading requirement in changing the party's leadership formula is to solidify and strengthen the close relationship between the party and the people.

Today, a paradoxical situation has arisen. While the party's ranks have expanded, the relationship between the party and the masses has grown weaker. Why? There are probably many reasons, but the main reason is that the party has interfered too deeply in the affairs of the administration, gradually abandoned the methods of mobilizing and persuading the masses, and begun using more and more command methods by administrative fiat. In many cases, people approach party cadres like they would a "statesman" or "official." The administrative apparatus and the people's organs have been turned into places to listen to explanations and approve the solutions already decided on by the party committee echelons.

If the party separates itself from the masses and turns itself into a bureaucratic administrative organization, that will not be a wholesome phenomenon and will weaken the leadership role and combat strength of the party. The time has come to renovate the work and leadership formulas of the party, overcome bureaucratic centralization in party activities, and put a stop to cadres acting like officials of the people. We must abolish the idea that whatever the party decides is right and whoever disagrees is wrong. The party is the most progressive element of the working class and of all of society. However, only when a decision by the party has been approved by the state and concretized in the form of a policy or law can it be used to guide society. Thus, not only must the party have correct political lines, policies, and positions, but it must also know how to mobilize and convince in order to win the approval of the state, social organizations, and all the people so that they voluntarily implement these positions and policies. The party leads but does not govern. The party educates and mobilizes the people and tries to persuade the people to trust it, but it must not force its will on the people. As for the work of the state organizations, the party must not become directly involved in issuing directives or orders or interfere in a brutish and petty manner.

Another important problem concerning the party's leadership formulas is the relationship between the party and the law. The party leads society, but the party is not outside or above society. Thus, the party must act within the framework of the law. It is not outside or above the law. The party's resolutions cannot replace the laws or go against the constitution or laws.

Once a law has been promulgated, each organization and each member of society, without exception, must abide by the law. As the leader, the party must set an example in abiding by the laws. The party committee echelons and the party committee secretaries must not interfere directly in the work of the judicial organizations. They cannot use their resolutions to replace or negate the decisions of the judicial organizations. If a cadre or party member has violated an administrative regulation or law, the party cannot "handle the matter internally."

### 3. On democratization within the party:

Only if there is democratization within the party can the party gain vitality and "democratize" society.

Today, within the party there are still many cases in which people act like patriarchs. There is dogmatism, and loyal and upright people are attacked. At many party meetings, there is a lack of democracy and frank criticism and self-criticism. People do not boldly express views contrary to those of the leaders. In work relations and daily relations between party members in upper and lower echelons, there is a lack of equality and feeling of comradeship. The resolutions of the party organizations are not examined, discussed, or selected from among many different plans. In many places, the election of people to party committee echelons is carried on in a coercive manner because of "structural" viewpoints and because of the wishes of higher echelons or of people at the top of the committee echelon. The list of candidates is limited, and there isn't time to study the candidates carefully before the election. The party standing committees, like the upper echelons of the party committees, sometimes give themselves permission to act contrary to the resolutions passed by their congress and do not see the need to report this.

The loss of democracy within the party often leads to a loss of solidarity, to the formation of cliques, and to a loss of discipline. Many times it drags people outside the party into that "whirlwind."

To have democracy within the party, the problems of the party must be discussed and debated freely before they are put to a vote. After a resolution has been passed, everyone must implement it, including those who opposed it. Their motions must be recorded in the documents of the conference. They then have the right to raise the matter at future party conferences. But they must not spread propaganda outside the party organization. Democracy and discipline must go hand in hand like this. The party is an organization of action. It is not a club for people who just want to talk but not do anything.

The key leaders in the party organizations must persuade people through reason and an attitude of open democracy and not resort to using their authority.

In order to make the preparation of the party's decisions more democratic and scientific, I think that for important problems, there must be many different plans. Those plans should be submitted to the party chapters for discussion before the party committee echelons discuss them and make a decision. Not only will this concentrate the intelligence of the entire party in the process of preparing the resolutions, but it will also raise the level of awareness and the concept of responsibility of the party members with respect to implementing the resolutions.

Elections within the party must be democratized by encouraging debates on the standards and lists of candidates. The issues concerning each candidate must be clarified objectively and honestly, and each one must be given the chance to defend himself openly and directly. The party organizations have the right to recommend candidates for admission to higher-echelon leadership organizations. They also have the right to remove party committee members in whom they have lost confidence.

The standing committees must regularly issue reports on their activities to the party committee echelon. They must not exceed the powers given them by the party committee echelons. In order to expand democracy, it should be stipulated that between two congresses, from the district level on up, there must be cadre conferences or conferences of delegates in order to review the work of the party. And if necessary, elements of the party committee echelons can be replaced. Doing things this way will heighten the sense of responsibility of the party committee echelons and draw the party committee members even closer to those who elected them. Cadre work must be made more democratic and open in accord with the standards and principles of the party. Appointments imposed by higher echelons must be limited.

The leadership apparatus (meaning the party committee echelons) and the supporting apparatus (meaning the committees and commissions of the party committee echelons) have been partly renovated during the past several years. However, the party apparatus is still cumbersome and unwieldy with respect to the size of the staff, and many of its functions overlap those of the state organizations. The quality of the cadres in these organizations is not high and so the party's leadership has been ineffective. The party has not been able to satisfy the requirements of the new period.

The party apparatus must be renovated in two ways:

a. There must be a clear distinction between the functions and tasks of the party organizations and the state organizations.

b. The organizations must be rearranged, nonessential intermediary elements must be abolished, the size of the staffs must be reduced, and the work methods must be improved.

While the state leadership organizations need people with excellent organizational and managerial skills, the party committee echelons need people who have a correct viewpoint, who are sensitive politically, who have a close relationship with the masses, and who have a profound understanding of reality. The division of labor within the party committee echelons must be changed. The party committee members must participate on party committees or commissions. They should not hold various positions concurrently or hold such positions as minister or director, because that would involve them in technical work in which they have little expertise. Moreover, they won't have much time to handle the problems related to their position as political leaders.

The support organizations of the party committee echelons must be revamped. They must carry out their tasks based on the specialist system. Large numbers of specialists aren't needed, but those who do work for these organizations must be excellent people. Except for those committees that are absolutely necessary, such as propaganda and training, organization, control, and foreign affairs, the need for committees and elements that have the same functions and tasks as the central administrative organizations should be reviewed. The number of centers and the size of the staffs should be reduced. The active and independent role of the party control agencies should be strengthened.

In order to renovate the party's ranks of leading cadres, the standards of each position must be made more specific, and there must be concrete plans to provide advanced training. I think that the time has come to stipulate maximum terms for each type of party committee member. There should be regulations to permit the replacement of party committee elements even if their terms have not expired. As for the cadres who lead the party committee echelon support organizations, there should be a gradual shift from a system of appointing these people to a system of electing them.

### Thoughts on Literary Criticism

*47/TAO NHAN TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 65-30*

[Pham Xuan Nguyen, article not translated]

### The Nam Can Marine Products Joint Venture

*47/TAO NHAN TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 31-36*

[Article by Nguyen Thanh Hung, director of the Nam Can Marine Products Joint Corporation]

[Text] The Nam Can Marine Products Joint Corporation is a pilot project of Nam Can District, Minh Hoa Province, and the Ministry of Marine Products. It was established on 1 December 1981.

Even though this is a district of great physical differences and even though it is a marine products center of the province and of the country, prior to 1980, the fishing industry here was in decline and the standard of living was very low.

During the period 1981-1983, changes were made, but there were still many difficulties. The fishing boats and machines were worn out but could not be replaced. The sea service material base was virtually non-existent. That was the situation when the three-echelon joint venture was established.

This three-echelon joint venture was actually a joint venture between two parties: state economic units and skilled fishermen.

Thanks to exploiting the integrated strength of both sides with respect to capital, materials, equipment, and management and labor capabilities, fishing in Nam Can has expanded greatly.

It has switched from using a system of bureaucratic-centralism and state subsidies to handling and balancing things itself using economic accounting and turning production investments, purchasing, processing, and circulation (export-import) into a unified system. From this, it has become involved in specialization, used the expansion of the marine products sector to forestry, carried on integrated business activities, and made shrimp rearing the strategic spearhead. In 1988, a total of 1,025,000,000 dong was invested, concentrated shrimp rearing zones were established, net fishing was redefined, machinery was provided, and fishermen switched from coastal fishing to deep-sea fishing. All of these things restored the production strength and helped transform the district's marine products economy from self-sufficient production to commodity production. In the past, people carried on production for 6 months and then did nothing for the next 6 months. That practice has now

been abolished. People now work the whole year. Processing and sea service industries have been established in the district and villages (in the past, these were located only in the cities and provincial towns).

The fishermen have switched from a dispersed to a concentrated style of life. Fishing villages and economic and technical clusters have been formed from swamp land and uncultivated areas.

Commercial production has achieved results and coordinated things with domestic and foreign markets.

During the past 9 years, foreign currency revenues and expenditures have been \$2,266,978 and \$26,991,918 respectively, the difference being \$24,725,340 (the expected amount of foreign currency for 1988 is 7.2 million). Calculated in Vietnamese currency, for the period 1984-1987, receipts and expenditures in commercial production were as follows:

Purchases during the 4-year period: 2,570,581,011 dong  
Sales during the 4-year period: 4,572,855,688 dong  
(period does not include the goods still in the warehouse or the profits for 1988) 9,114,984 dong.

The results of the commercial production activities have been higher each year. Specifically, the implementation of the integrated norms for foreign currency during the past 9 years were as follows:

1984	\$1,900,000
1985	\$4,200,000
1986	\$5,700,000
1987	\$6,400,000
1988	\$7,300,000

Remittances to the central echelon during the past 4 years totaled \$1,994,884. Foreign currency allowances during the 4-year period: \$9,919,977. Vietnamese currency earned by the various parties: 98,116,992 dong. The money was divided as follows:

The joint corporation: \$6,229,174 and 25,994,439 dong  
The province: \$1,823,982 and 18,817,756 dong  
The district: \$1,029,992 and 18,340,479 dong  
Seaport: \$8,364,829 and 15,014,818 dong.

In 1981, the per capita income in Nam Can was \$43. In 1988 (after five years of joint business operations), this had increased to \$112 (based on a population of 64,000 people).

In 1988, a fisherman in Nam Can earned \$8,27 (based on a population of 8,700 primary and secondary fishermen).

The above achievements were due to the following:

**1. Correct strategic directions.** The joint venture echelons chose Nam Can to test the self-reliant, self-balance mechanism and turned Nam Can into an integrated commercial and technical cluster with respect to marine products.

The problem of expanding marine products was placed in the forestry-fishing structure, and environmental equilibrium was maintained in order to stabilize the projects and expand things based on the guideline "use the forests to support the ocean and use the ocean to support the forests." Marine products were designated as the strategic spearhead in order to stimulate economic expansion in the district. In this, breeding was placed at the tip of the strategic spearhead. At the same time, net fishing was redelineated based on protecting the sources of profits in order to exploit them for a long time and gradually switch from small-scale coastal fishing to deep-sea fishing.

In implementing the strategic guideline discussed above, the economy was closely linked to cultural and social affairs. Investments were aimed at expanding production, increasing productivity and yields, and improving the quality of the products. These were also the goals of the reform and joint venture activities. Expanding production was the basis for gradually improving the lives of the laborers.

The strategic guidelines discussed above served as the guiding ideological viewpoint, the guiding thread, and compass through the process of organizing and implementing things in the joint venture. After setting these strategic guidelines, the joint venture determined correct methods that brought great economic results.

### 2. Correct method

a. Through Seaprodex, the joint venture borrowed foreign currency in order to import materials and equipment to expand the production forces and rear service processing installations.

b. Rational policies were implemented, and the joint venture ranks of managerial and technical cadres with high standards were attracted to the joint venture.

The joint venture implemented a correct investment policy with the motto the "state and people working together." Specifically:

In raising shrimp, the people contributed 90 percent of the capital, and the joint venture contributed 10 percent. After the 1st year, the joint venture collected the debts in products. In fishing, the people contributed 30 percent of the capital, and the joint venture contributed 70 percent. In those cases in which the people did not have any capital but were highly skilled, the joint venture invested 90 percent while the people invested 10 percent. There

were some cases in which the joint venture put up all of the money. All of the loans were repaid after 3 years. During the 3 years, the joint venture invested 1,215,000,000 dong, of which 1,169,000,000 dong was received for shrimp rearing and 46 million was used for fishing.

In purchasing and managing goods, the capital and skills of individual people were used. The joint venture had 40 purchasing installations. Of these, 12 were state-operated stations and 28 were operated by private individuals.

The joint venture did not rush to reform and build new production relationships but used investment and the expansion of production as the basis for reorganizing production. It stopped with production solidarity teams, a form accepted by the masses.

In building fishing villages, the joint venture gathered together people who were living in various places. The public welfare projects that were built gained the confidence of the people, who voluntarily moved to the fishing villages in accord with the plans. This was a striking achievement that had political, economic, cultural, and national security effects.

At the same time, the joint venture conducted studies and implemented policies to make full use of the existing strengths. The joint venture had a closed mechanism from the beginning to the end, from production, purchasing, and processing to import-export activities. It then linked the raw materials production zones with the industrial processing zones, linked production with science, and linked the fishermen with the state.

c. Because the joint venture showed concern for the people's standard of living, the laborers felt less anxious and enthusiastically cooperated with the joint venture. There wasn't the tension or controversy as in a number of other agricultural production zones.

### 3. The effective support of Seaprodex

The Nam Can Marine Products Joint Corporation is a microcosmic economic unit while the Vietnam Marine Products Import-Export Corporation is a macrocosmic unit. Objectively and based on the interests that have been analyzed and evaluated, Nam Can has overcome the difficulties and made the progress that it has mainly because of the powerful effect of carrying on joint operations. In this, the Seaprodex Corporation was the activist. As the member of the joint venture that had great potential, Seaprodex created favorable conditions with respect to capital materials, technical equipment, technical cadres, and professional managerial cadres and actively aided the Nam Can Marine Products Joint Corporation.

As for providing assets, during the first 2 years of operations, the Seaprodex Corporation contributed 58 million dong in liquid assets, of which 28 million had a revolving effect. It served as the middleman and served

as the guarantor, which enabled the Nam Can joint venture to borrow \$2,266,578 during the past 5 years (in 4 years, \$1,459,587 was repaid). With this foreign currency, the joint venture was able to import synchronized equipment and build a frozen shrimp plant, an ice plant with a capacity of 50 tons a day, and a 500-ton refrigerated warehouse. The plants were located near the raw materials production zones, which was an advantage in processing. Only 1.5 percent of the raw materials were wasted. (The Ca Mau freezing plant is located farther away and so 2.1 percent is wasted. At the plants in the city, the rate is 2.6 percent.)

Besides this, Seaprodes helped the Nam Can joint venture import 558 generators of various sizes, 458 "may thuy" [water machines] of various types, 148 tons of nets, 14,125 tons of gasoline, 5,434 storage batteries, and thousands of tons of daily necessities. Each year, during the peak months when the joint venture lacked cash to make purchases (in 1988, the monthly average was 600 million dong) and the provincial bank would not provide the cash, Seaprodes created the conditions to provide the cash promptly. By borrowing foreign currency in advance in order to convert this to dong and repaying the loans with products later on, the joint venture has received advances of more than 1 million dong in foreign currency from the enterprises subordinate to Seaprodes. The Seaprodes Corporation has helped the Nam Can Marine Products Joint Corporation formulate plans, directly guided the construction of projects, regularly supplied economic and technical data and information, and helped the joint venture adjust to world markets in importing and exporting things on the spot. Seaprodes has sent foreign specialists to support production, particularly in shrimp rearing and processing. In this, the most striking thing has been the introduction of refrigeration and industrial shrimp rearing techniques.

As for engaging in cooperative ventures with other countries, Seaprodes initiated relationships in order to form the Masecanam Shrimp Rearing Corporation, which includes Marioco, Seaprodes, and Nam Can. This is an international cooperative project. The three parties share the profits and losses. This corporation produces shrimp and food for shrimp. However, the Nam Can joint venture lacks people with sufficient qualifications and standards. It's views on people with adequate standards to participate in international cooperative ventures are too simple, and it does not see the requirements concerning responsibilities, discipline, or the seriousness of research and creativity in cooperative labor in order to obtain advanced techniques.

In summary, during the past 5 years, a close relationship has developed between the Nam Can Marine Products Joint Corporation and Seaprodes. They have actively helped each other. Besides this, the joint venture has formed relationships both within and outside the sector in order to effectively exploit the resources. This is one

of the reasons why the joint venture has been able to make these changes. These are "cause and effect" relationships in cooperative ventures.

This renovation cannot be separated from the lines and policies of the central echelon, the leadership of the province, district, and higher-echelon corporations in the sector, or the cooperation of the fishermen in the district.

These are the reasons for the successes achieved. These are the lessons learned during the past 5 years of operations. However, along with the achievements that have been scored, the Nam Can Marine Products Joint Corporation still faces a number of problems.

1. The capabilities of the apparatus are not in line with the tasks or the job of expanding production. If the norms are increased 1.5 or 2 times, the joint venture's old apparatus will not be able to fulfill the norms.
2. The quality of the products is still low. There are still few varieties. With the exception of shrimp, other types of marine products have not been produced to any degree.
3. The policies are not clear. The primary-level units do not have independence in commercial production. State economic management and commercial production management have not been clearly fixed.
4. There is frequently a shortage of cash, which causes problems for production.
5. The three-echelon joint venture mechanism has not been regulated and so it is easy for people to act arbitrarily in carrying out things.

In order to solve the above problems, we propose the following:

1. Laws must be promulgated for joint ventures, and joint ventures must be regulated in order to prevent people from acting in an arbitrary manner. Above the joint enterprise is the tripartite management council and above this council are the laws and policies.
2. Cooperation with other countries must be expanded. The joint corporation must be allowed to engage in cooperative activities in the spheres of production, rearing, fishing, processing, and export and import activities using the motto "both sides profiting." It should be allowed to cooperate with all countries regardless of their political system.
3. The state should set norms concerning foreign currency and payments to the budget. These two basic norms must be used to examine and evaluate the commercial production situation.

4. As for the role and existence of Seaprodex. Based on the fact that the Nam Can Marine Products Joint Corporation has achieved results during the initial phase of operations, we can see that the existence of the Vietnam Marine Products Import-Export Corporation is an objective necessity. Ten years ago, Seaprodex faced many difficulties. Today, with a mechanism of self-reliance and self-balance, it has made progress, actively contributed to aiding a sector that was growing weaker, increased exports from \$19.5 million in 1981 to \$141 million in 1987 (an increase of 717 percent as compared with 1981), and achieved good results in finding markets and cooperating with other countries in the commercial field. It is the staff unit for the marine products sector in formulating strategic guidelines and measures to quickly increase the export value. It is the unit that has gathered together the progressive commercial and technical arts of the world, and it can aid the localities in implementing things.

In each stage of the country's economic development, there has been concentration and dispersal in the import and export of marine products. Dispersal has had the effect of encouraging emulation and rapidly increasing exports. But four basic shortcomings have been encountered.

First, the products are of inferior quality.

Second, because of this, export prices are low.

Third, because many units are competing against each other to export goods, these activities have not been profitable for the sellers.

Fourth, because of the lack of specialization and the dispersion, professional capabilities are weak. Also, because of dispersion, there is a lack of forces, a shortage of storehouses, and not enough loading capacity for the export goods. Tactics have not been devised to maintain and increase prices and compete on international markets.

Centralism and unification in the import-export sector will overcome the four basic shortcomings mentioned above, but it will be easy for people at the local level to monopolize things and profit personally unless there is leadership and close control.

The two formulas have both positive and negative aspects. However, over the long term, unification must be centralized in order to form national-level corporations with the strength to compete on and win international markets. For the above reasons, the existence, development, and aggregation of a number of export centers, among which is the Seaprodex Corporation, is an essential and objective requirement in the process of expanding our country's marine products sector. In the interests of the country as a whole, the Nam Can Joint Corporation supports turning the Seaprodex Corporation into a national-level marine products import-export center that can carry on production and business activities and carry out the state administrative tasks in the sector.

That center will have a number of import-export branches in the localities, which the state will allow to engage in import-export activities on the spot. That will make transportation more efficient and contribute to reducing expenditures and lowering costs. That center's leadership must be strengthened in order to overcome "monopolization" and "profiteering" in the import-export sector.

The central echelon, provinces, and districts have created a three-level joint enterprise model in Nam Can, a model that has the objective character of the present economic construction stage. This is capable of raising Nam Can to a peak of \$18-20 million per year by the start of the 21st century. The realities of the past 5 years have convinced us of this. Those who knew Nam Can during the periods of resistance against the French and Americans are not at all surprised by the great changes that have taken place here. Unlike the period prior to the start of the 1980s, during the past 5 years, the center and province have not invested capital, materials, or equipment in the district marine products sector. Nevertheless, production has been restored and greatly expanded. This shows the dynamism and creativity of the mechanism of self-reliance and self-balance and the correctness of the model.

During the past 5 years, we have seen that there are three problems that will determine the success or failure of the plan: the potential sources of profits, the policy mechanism, and men. Of these, the decisive factor is men. These three problems are closely related to each other. They cannot be separated from each other. But at the Nam Can joint venture, to raise the commercial production norm 1 and ½ or 2-3 times (as estimated by the year 2000), besides the profit potential, the policy mechanism and the people in the apparatus are major problems that must be solved promptly in order to fulfill the norm.

**An Urgent Report About an Educational Area**  
4210006 Hanoi *TAP CHI CONG SAN* in Vietnamese  
No 1, Jan 89 pp 57-61

[Tran Si Nguyen and Vu Ngoc Lan, article not translated]

**I Have an Opinion**

42/00006 *Hanoi TAP CHI CONG SAN in Vietnamese*  
No 1, Jan 89 pp 62-63

[Hong Tam; article not translated]

**One Viewpoint on Plans and Markets**

*4/10/89 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 64-67*

[Tran Quoc Viet, article not translated]

**From the Disputes on Arable Land in the South**

*4/10/89 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 67-69, 56*

[Article by Tran Duc, a high-level economic specialist]

[Text] There are many reasons for the fierce dispute over arable land in the south. But what should be given great attention is the serious violation of democratic rights in the rural areas. A number of cadres and party members are selfishly trying to appropriate the land of the peasants. Enterprises and state organizations have appropriated fields but have not made use of them even though local peasants do not have enough land to farm.

I suggest that the state promptly promulgate a number of regulations to guide the localities, particularly the bases, in order to resolve the disputes. First of all, public order and security must be restored, and people must not be allowed to violate the laws, destroy the subsidiary food crops, damage property, arbitrarily appropriate fields, or instigate fights that could lead to a loss of solidarity in the rural areas. The party and state must resolutely punish those cadres and party members who appropriate fields. They must be compelled to return the fields to the peasants. The state farms and forests, state fishing units, stations, and farms that are not making full use of the arable land must reexamine the plans, maintain control over only the land actually needed, and return the unused land to the peasants. The disputes must be resolved through negotiations and in accordance with both feelings and reason. Solidarity and mutual aid must be coordinated with the interests of both sides. The authorities must intervene only when the arguments concerning rights can't be resolved internally.

The question that I want to raise here is, what have we learned from these disputes over arable land? The reasons for the disputes cannot be confined just to the arable land issue. This also concerns the policies and positions on industrial, commercial, and agricultural reform, the zoning of state-operated enterprises, party building, and so on. Violations and lax enforcement have increased the seriousness of the mistakes. Violations have become more widespread and continue for many months. Thus, on one hand, a number of pressing problems must be solved as discussed above, and on the other hand, the situation must be studied in depth, especially concerning lines and policies in order to solve the problems in rural southern Vietnam in a basic way.

I. I don't think that we have fully understood the nature, special characteristics, and psychology of the peasants in Nam Bo. In the Red River Delta, in previous centuries, the peasants remained at the level of self-sufficient

production. But in the Mekong Delta, the peasants became involved in commodity production with the material base of an expanded commodity production. The mistakes in the reform policies in the south have caused great trauma for commodity production. Because of this, for more than 10 years now, we have encountered difficulties in creating a new material base for commodity production. The resolution of the Politburo on renovating agricultural economic management and the recent stipulations of the Council of Ministers on economic elements have created the conditions for the peasants to purchase machinery and implements and hire laborers in order to restore commodity production to its previous level. As for land, I suggest that the various echelon people's committees give the peasants not only use rights but also transfer and inheritance rights. In the November 1988 issue of TAP CHI CONG SAN, Truong Van Be, the secretary of the Tra Cu district party committee in Cuu Long Province, discussed the issue of "regulating the fields based on labor capabilities." Is there any other way to do this than to give the peasants the rights mentioned above? Once things have been readjusted like this, it will be relatively easy to resolve the conflicts and create favorable conditions for quickly coordinating the production factors (land, labor, and capital) in order to concentrate the fields as a basis for quickly increasing commodity production. It is clear that once we have become involved with the apparatus of commodity production, we cannot ignore price laws. Thus, giving the peasants use rights and the right to transfer and inherit land will put the commodity-currency relationship within the sphere in which it is the peasants who regulate things among themselves.

The peasants in the north, like the peasants in the south, are closely tied to the land. But now that commodity production has expanded and the expansion of the sectors has created additional jobs for them, the peasants are prepared to abandon the fields and move in a different direction and earn their living from something besides agricultural production. That is our country's long-term trend. The number of farmers will gradually decline as more and more people become involved in industrial production and services.

2. Along with concentrating the fields, another important direction is the opening of new economic zones. The Mekong Delta still has great potential, because of the 1.9 million hectares, only 700,000 hectares plant two crops. There are 650,000 hectares of sulfate soil. If there is enough fresh water, this land can be used for intensive cultivation and multicropping. If people are moved to Cong Thap Moi, once this area has been strengthened, that will open up additional land to distribute to landless peasants. Actually, there are not fierce land disputes in every area. This is concentrated in a number of areas where the average number of fields is low. In those areas, the rural situation has not been solidified for a long time. Opening up new areas will help resolve the conflicts in those areas.

3. A problem related to the land problem is the problem of collectives and cooperatives. The experiences of the Phu Loi Thuong Collective in Mo Cay District, Ben Tre Province, have shown that after the peasants have negotiated to resolve the disputes, the management boards have held meetings to discuss things with those who have asked to join the collectives and those resolved to stay behind. After that, they have held congresses attended by collective members in order to decide who will stay and who will go. (The collectives always help those who go whenever they encounter difficulties in production.) At the same time, they have held timely discussions on production plans and discussed the project to reclaim the Moc Hoa area.

Today, the family is the important economic unit in the rural areas. But in order to expand commodity production, the collectives and cooperatives are suitable organizations for maintaining the seasonal allocations, applying the technical advances in the fields, and organizing technical services. Even in the advanced capitalist countries, the cooperative organization has expanded rather widely. Its main function is to provide services for the family economic units. Thus, an effort must be made to solidify the production collectives and cooperatives. The cooperatives that have engaged in integrated commercial activities must be improved, and this must be coordinated with resolving the land disputes. But this does not mean that the time has come to leave the cooperative path.

4. While becoming involved in commodity production, we cannot forget about or ignore the cultural side in economic development. Here, I want to discuss the ideals of the new life and the good customs and traditions of the peasants of the Mekong Delta that have been inspired by the patriotic poems of Do Chieu and the staunch fight under the banner of the heroic Truong Dinh. Education starts from the cadres and party members and instills in them a sense of patriotism and loyalty to socialism. It reminds them that they must regularly go

to the bases and concern themselves with the lives of the people. They cannot forget the people of Nam Can or the revolutionary families that supported and sheltered the cadres and troops during the revolution's infancy. This will contribute greatly to solidifying the values of the revolution and prepare a basis for implementing the policies in the rural areas.

Besides the problems discussed above, policy errors and mistakes in implementation have led to "waves" as if challenging our system. Let me use family planning as an example. Clearly, we have not made much progress in the rural areas in the south. During the past 10 years, many households here have doubled in size, and some families have 10-12 children. This will lead to a decrease in the average amount of farm land per household. In order to resolve the disputes in a basic and all-round manner, we cannot focus only on the land problem but must also examine the implementation of the policies in the rural areas in order to draw useful lessons and promptly supplement the coming work guidelines.

5. The final issue is the issue of democracy. In a society like that in the Mekong Delta that has long been involved in commodity production, the peasants can have democracy earlier than the self-reliant peasants in the Red River Delta, who have been oppressed by the feudal system of education for thousands of years. Unfortunately, not only has this spirit of democracy not been exploited, but it has been violated by bureaucratic centralism, authoritarianism, and the deviation of a band of primary level "insects." If we look squarely at the present complex reality and concentrate on resolving the fierce land disputes and solidifying the party bases in the rural areas in order to purify and strengthen them, bring about social justice, and strengthen solidarity in the rural areas, the "storm" that is now raging in the south will become a gentle breeze and bring needed rain to the drought-stricken areas. I firmly believe that in the coming years, a new stage, the democratic stage in rural life, will come into being in order to raise commodity production to a higher level more quickly.

**The Year 1988: A Major Turning Point**  
42100006 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 70-74

[Article by Kieu Nguyen]

[Text] The year 1988 signaled a major turning point in the international situation and the development of international relations since the October Revolution. For the first time in history, mankind witnessed a partial reduction and elimination of nuclear weapons. Not only do the countries participating in eliminating nuclear weapons feel safer but people feel better about their chances of surviving. In the past 70 years, this is the first time that the class struggle in the world has taken an important strategic turn, that is, from a military-political struggle to an economic-social-political struggle and from the use of force and warfare to the use of the strength of peace and peaceful negotiations. Since the October Revolution, the history of international relations has been the history of relations and struggle between the superpowers, with one side trying to achieve world domination and hegemony and the other side trying to oppose that domination and hegemony. Today, the history of international relations is being written by all peoples. Whether large or small, rich or poor, every country has a voice in this important problem. The international political situation has undergone a profound political change, with the result that international relations have changed, too. For the first time in 70 years, Lenin's idea of peace and peaceful coexistence has become the widespread rule of modern international relations. Today, peaceful coexistence is being applied not only by countries with different political systems, but it has become a general principle of behavior for all countries with opposing national and class interests.

What has brought about this historical turn... a point? Naturally, no one believes that it is because the imperialists and reactionary forces have changed their nature. Even though few people believe it, the truth is, this turning point has been brought about by the forces of peace, national independence, democracy, and socialism. Try to imagine what the world would be like today without socialism, without the birth of more than 100 independent nations, and without an international people's movement struggling for peace and democratic life. The forces of peace and world revolution have forced the imperialists to recognize their existence. In many cases the imperialists have not dared use armed force to destroy these forces but have been compelled to coexist peacefully with them. However, it would be a mistake to overestimate the strength of the forces of peace and revolution. It must be recognized that even though they have the strength to prevent the imperialists from ruling the world as in the past, these forces do not have sufficient strength to eliminate imperialism or prevent armed aggression here and there. On the other hand, even though capitalism is in decline, it can still use science and technology in management and to make adjustments. Thus, it still has the capability to expand.

The changing situation shows that the forces of peace and revolution are superior to the imperialist-capitalist-reactionary forces politically and that they are their equal strategically and militarily.

That is a general picture of the world today that is shown by the following:

First is the economy. The world economic situation in 1988 showed that the rate of development in various countries has been fairly good (OECD, 3.8 percent as compared with 3.1 percent in 1987; 2.6 percent as compared with 2.7 percent in the developing countries, 10 percent in China; and 3.8 percent in the Soviet Union). The development potential of the world economy in coming years is very great because of the achievements of the scientific and technical revolution. On the other hand, all countries, regardless of whether they are large or small or rich or poor or whether they are in east or west or south or north, face very serious challenges. The capitalist countries face a structural crisis and loss of balance with respect to comparative strength and the debt problem of the developing countries. As for the socialist countries, this is the most difficult stage in the process of reorganization and renovation. The various problems, such as prices, the independence of the production installations, and ownership rights of the laborers are very difficult problems that cannot be solved immediately. After many years of favorable development, China is now encountering major difficulties and has had to slow down the pace of development in order to stabilize things and make adjustments.

A new tendency is that almost all countries are concentrating on solving their domestic problems. Development is regarded as the leading problem in the action programs of both internal and external policies.

The great economic challenges are taking place within an environment of mutual dependence between the developing countries and internationalism. Thus, the expanding world economy has made it necessary for international economic relationships to change. Even though there are still major conflicts between countries and opposing economic systems, the tendency to work together to solve the common problems is growing. Competition between the three capitalist economic centers is still very strong. But at the same time, cooperation between these three centers has prevented a crisis from arising within the capitalist economy. Besides the other factors, this is one of the important factors that prevented the stockmarket crisis that took place in the capitalist countries in October 1987 from having serious consequences as happened at the end of the 1920s. Although no solution to the debt problem of the developing countries has been found, the more responsible attitude of both the developed and developing countries has contributed to preventing a collapse of the international financial system. Cooperation between the East and West has increased greatly. This is clear from the establishment of official relations between the Council

for Mutual Economic Assistance and the European Common Market and the broader relationship between the socialist and developing countries, particularly in building a new international economic order.

The changes in the world economy and international economic-commercial relationships are guiding factors in the changes taking place in international politics.

The striking feature of international politics in 1988 was the tendency toward detente and the use of negotiations instead of confrontation. We have gone beyond the framework of relations between the East and West and between the superpowers. This has become the general tendency throughout the world and encompasses all countries and regions.

The improved relationship between the Soviet Union and the United States symbolizes the improved relationship between the East and West. This relationship continues to be solidified and developed. During the past 3 years, there have been five high-level conferences and meetings and 30 negotiating sessions between the Soviet and American ministers and vice ministers of foreign affairs. This shows that relations between those two countries are beginning to stabilize. However, the important point is not the number of high-level meetings but the contents of the discussions and negotiations. Even though the Soviet Union and the United States have not yet signed the agreement on a 50 percent cut in strategic nuclear weapons, the two sides have made great strides in completing this agreement. Ratification of the agreement to eliminate medium- and short-range nuclear weapons will promote the process of military disarmament throughout the world. To a certain degree, Soviet-American detente has actively contributed to solving the regional conflicts through peaceful means and strengthened bilateral relations on all fronts. However, the most important effect of Soviet-American relations is that this has promoted detente between the superpowers, particularly the Soviet Union and China. The Chinese foreign minister's first visit to the Soviet Union in 31 years and the Soviet-Chinese summit meeting in the summer of 1989 are of great importance to relations between the superpowers in 1988. In their own interests, the superpowers now realize that they must reach detente with each other based on a balance of interests and security. Besides the Soviet-American and Soviet-Chinese relationships, in 1988 the Indian-Chinese, Soviet-Japanese, and Soviet-West European relationships were improved at the same time that each country tried to solidify and improve relations with its allies and friends. In the wake of these efforts to improve relationships, it is clear that it would be very difficult for the superpowers to gang up on a third country. Such games would only serve to destabilize the world.

Detente between the superpowers is the result above all of the efforts of these countries based on their own interests. However, we cannot overlook the fact that in this process, the dynamism and flexibility of Soviet

diplomacy, as manifested by their many constructive proposals and the tireless efforts of General Secretary Gorbachev, have played a very important role.

Detente between the superpowers is a positive phenomenon that will improve the international atmosphere. However, we must not overlook the fact that a number of these superpowers want to use detente to create a framework for solving the regional problems in a way that will improve their strategic position. That is what has complicated things for the smaller countries and given them cause for concern.

The year 1988 has been called the year of regional problems. The regional conflicts that have continued for more than 10 years are in the process of being solved. Following the Geneva agreement on Afghanistan, a preliminary agreement was reached between the United States, South Africa, Angola, and Cuba. An official agreement was signed at the end of 1988 on ending South African aggression in Angola, transferring independence to Namibia, and withdrawing Cuban troops from Angola within 27 months. Along with the above events, the end of the war in the Gulf region and the start of negotiations between Iran and Iraq, the decision to establish a Palestinian state, and the PLO's acceptance of UN resolution 242 on the existence of the two states of Israel and Palestine represent a good beginning in the process of solving the regional problems through peaceful means. The situation in Central America is more complex, because the Reagan administration continued its policy of using force to oppose the Cuban revolution. But because of the efforts of the Nicaraguan government, negotiations between the revolutionary regime and the opposition forces have taken place.

In general, even though the various regional conflicts are different in many respects because of different historical processes, different interests, and different force comparisons, the process of solving the regional problems peacefully is the same in that the international aspects must be kept separate from the internal aspects so that the factions within the countries concerned can solve the problems themselves based on national reconciliation. This is a very complex process, and it will probably take many years to solve all the problems. But there is no problem that can't be solved if everyone respects the right of all nations to freely choose their own path of development without outside interference or pressure.

Another important aspect of the regional situation in 1988 was that in the Asian, African, and Latin American countries ruled by dictators, people launched movements demanding that the terrible social problems be solved and that freedom and democracy be expanded. Many of these movements were successful. The crisis in Burma, the result of the national referendum in Chile ending the dictatorship of Gen Pinochet, the success of

the democratic forces in Pakistan, and the changes in South Korea leading to democracy, although still very limited and of a demagogic nature, are specific manifestations.

The year 1988 also signaled a turning point in Southeast Asia and Cambodia, a turning point that will help restore peace in this region. For the first time in 10 years, real negotiations have been held to restore peace and stability in Southeast Asia and solve the Cambodia problem. Most important were the unofficial meetings in Jakarta between the two groups of countries in Southeast Asia and the various Cambodian factions and the meetings between Hun Sen and Prince Sihanouk in France.

Even though there are still many difficulties, the process of solving the Cambodia problem and restoring peace and stability in Southeast Asia has begun. And there have been positive movements. This great turning point is the result of the following:

First, even though there are many economic difficulties, the strength and power of Vietnam, Laos, and Cambodia, particularly the PRK, has continued to be consolidated and expanded. At the same time, the Cambodian reactionaries have grown weaker and begun to collapse. This is clear from the fact that Prince Sihanouk expressed a desire to break away from Pol Pot. In this situation, with the agreement of the PRK, Vietnam decided to withdraw 50,000 troops during the final 6 months of 1988 and will withdraw all its remaining troops by the end of 1990 at the latest. This has greatly changed the nature of the Cambodia problem. The problem has shifted from the presence of Vietnamese volunteers in Cambodia to the threat of a return to power of the genocidal Pol Pot faction in Cambodia after the withdrawal of the Vietnamese volunteers. Never before has world opinion condemned Pol Pot and his supporters so forcefully as at the end of 1988, even though that condemnation is very late. The announcement that Vietnam will withdraw its forces from Cambodia and the proposals made by Vietnam, Laos, and Cambodia aimed at solving the Cambodia problem and bringing peace and stability to Southeast Asia have made people realize that Vietnam, Laos, and Cambodia sincerely want to solve the two major problems in Southeast Asia and that they have made proposals to build a foundation for solving the above problems (the seven-point proposal on a zone of peace, friendship, and cooperation in Southeast Asia presented by Laos at Bogo on 25 July 1988, the five-point proposal on resolving the

international aspects of the Cambodia problem presented by Vietnam on behalf of the three Indochina countries on 17 October 1988, and the seven-point announcement of the PRK on national accord presented by Premier Hun Sen in Paris on 7 November 1988). At the same time, the enemy has not made even one proposal. Instead, they have left all sides with an urgent choice: whether to allow the Cambodians to solve the Cambodia problem by themselves after Vietnam withdraws its forces or to carry on serious negotiations in order to find a solution acceptable to all sides based on adhering to the principle of equal security and giving attention to the interests of all the countries concerned and the right of self-determination of the Cambodian people.

Second, during the past 10 years, the conflict in Cambodia and the unstable situation in Southeast Asia have prevented the countries in this region from concentrating their strength on economic development. Today, Vietnam, Laos, Cambodia, and the ASEAN countries all face serious economic challenges. Because of this, solving the Cambodia problem and the problem of peace and stability in Southeast Asia as quickly as possible is an urgent requirement for all the countries in this region.

Third, in view of the fact that the superpowers are lessening tensions and reducing their outside commitments in order to concentrate on solving their internal problems, favorable objective conditions have arisen for the countries in the region to solve their own internal problems without fear of outside interference. Also, in their own interests, the superpowers want to encourage (although for different reasons and to a different degree) a peaceful resolution of regional problems.

The situation in Southeast Asia and Cambodia is changing. The reactionary powers think that they can use Vietnam's economic difficulties and exert pressure in the wake of detente between the superpowers in order to bargain and win at the bargaining table what they could not win on the battlefield. But that is an illusion. There is reason to believe that the turning point in Southeast Asia in 1988 will lead to decisive changes in 1989 in the interests of lasting peace and constructive cooperation in Southeast Asia and the world.

**On the Newly Industrialized Countries in Asia**  
47/0006 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 75-81

[Nguyen Thanh Tuan; article not translated]

**Cuba's Views on a Number of International and Internal Problems**

42100006 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 82-86

[Article not translated]

**Scientific Debate on 'Opposing Inflation in Our Country'**

42100006 Hanoi TAP CHI CONG SAN in Vietnamese  
No 1, Jan 89 pp 87, 88

[Text] In recent years, many people have given attention to the problem of inflation in Vietnam. They have studied this and submitted many proposals to the party and state aimed at solving this problem. In October 1987, TAP CHI CONG SAN organized an exchange of opinions in the journal on inflation in our country. After that, many sectors, research organizations, and others organized scientific debates on this issue. However, to date, there are still many different views on inflation and on how to solve this problem.

Because of the importance of this problem, TAP CHI CONG SAN and the Department of Economics of the Central Committee felt that it was essential to organize a scientific debate to further clarify a number of theoretical and practical aspects in order to make appropriate proposals and contribute effectively to reducing inflation here.

On 23 and 24 January 1988 in Hanoi, more than 40 scientists from Hanoi, Ho Chi Minh City, and Gia Lai-Kontum and more than 20 representatives from the economic sectors, research organizations, and a number of production installations participated in the debate. Vu Oanh, the secretary of the Party Central Committee and head of the Department of Economics of the Central Committee, and Ha Xuan Truong, an alternate member of the Party Central Committee and editor in chief of TAP CHI CONG SAN, presided at the debate.

During the 2 days of enthusiastic work, the people attending the debate concentrated on exchanging views on the following key problems:

They looked at the real root of inflation in our country and the factors directly responsible for the great increase in inflation here. They focused on the unsuccessful attempts to adjust prices, wages, and currency values, particularly the price, wage, and currency adjustments made in September 1985 and those that followed.

Based on Vietnam's active spirit and grasp of reality, they looked at how the anti-inflation theories of economists around the world can be applied here to evaluate the inflationary situation in our country.

They discussed the effects of inflation on our economy and society in the present stage and the relationship between the renovation and the anti-inflation struggle in an unstable socio-economic situation.

They analyzed the feasibility of the solutions mentioned in each plan and made additional proposals to help ensure success.

Almost all of those attending the debate agreed that integrating the 40 plans of the sectors and scientists into four anti-inflation plans was a painstaking and serious task of great scientific value.

Plan 1: The basic element is to liberate the production forces, expand supply, and regulate demand in order to fight inflation. The majority of those at the debate agreed with the integrated analyses on the real root and direct causes of inflation and supported the synchronized solution mentioned in the plan.

Plan 2 analyzed the reasons for the sudden rise in inflation. The plan said that one reason is that the currency laws have been violated, and it mentioned that one solution is to control prices and the currency and implement price controls based on a published index in order to control inflation.

Plan 3 concentrated mainly on managing prices, wages, and currency and stressed that the basic element of the solution is to limit demand by freezing prices, wages, and currency in order to stabilize the situation.

Plan 4 stressed increasing the efficiency of the state and central echelon and creating motive forces to control inflation.

Those at the debate discussed the guiding ideas of each plan, the strengths, and the shortcomings that must be overcome, including planning, national financial policies, foreign economic policies, and the social aspects of fighting inflation.

Although there are still a number of problems that need to be studied, the good aspects of these four plans and the ideas presented during the debate provide an excellent basis for formulating an effective "anti-inflation plan."

In future issues, we will discuss this debate in greater detail and discuss each anti-inflation plan in turn.

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